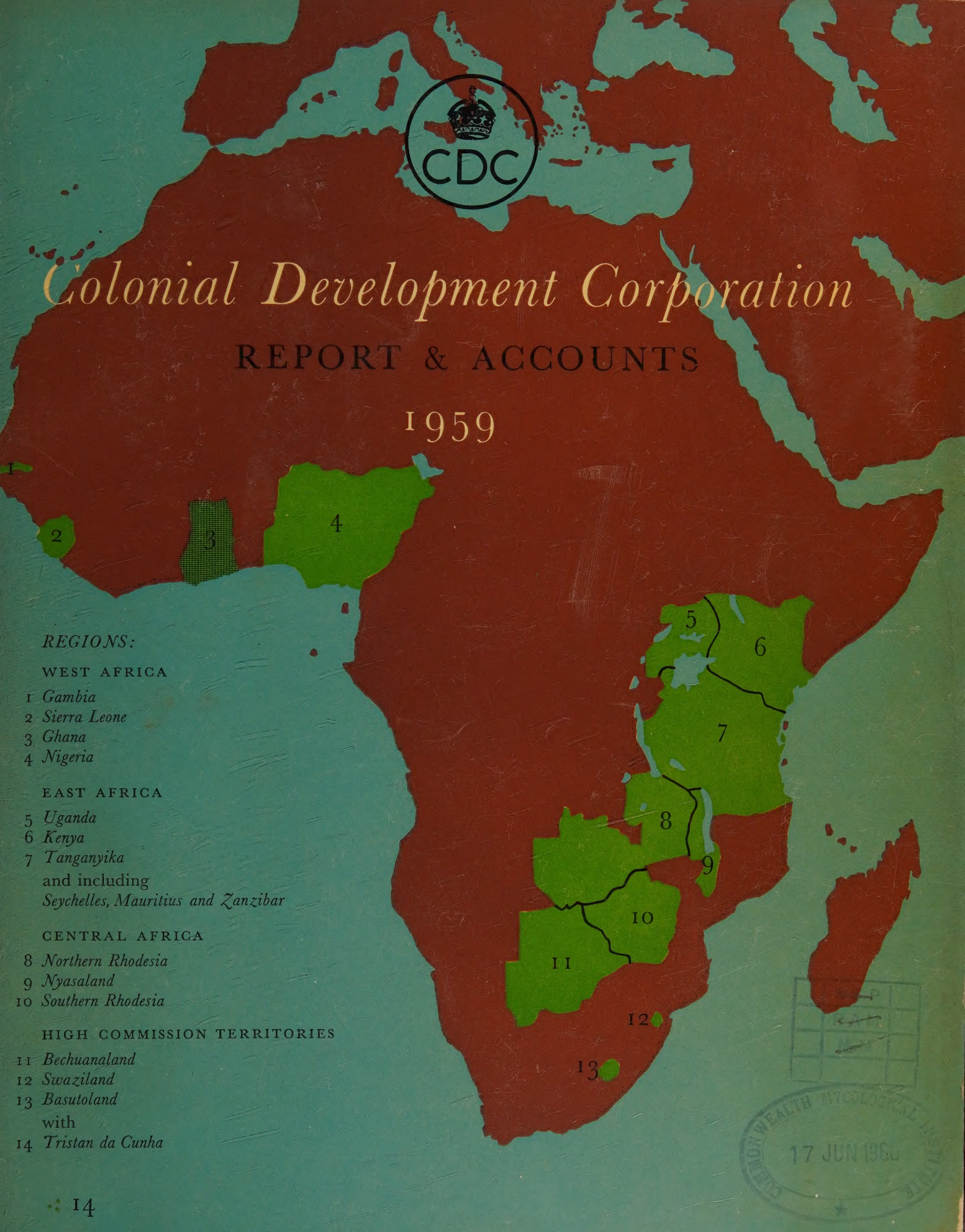


Colonial Development Corporation

REPORT & ACCOUNTS

1959

REGIONS:

WEST AFRICA

1 *Gambia*
2 *Sierra Leone*
3 *Ghana*
4 *Nigeria*

EAST AFRICA

5 *Uganda*
6 *Kenya*
7 *Tanganyika*
and including
Seychelles, Mauritius and Zanzibar

CENTRAL AFRICA

8 *Northern Rhodesia*
9 *Nyasaland*
10 *Southern Rhodesia*

HIGH COMMISSION TERRITORIES

11 *Bechuanaland*
12 *Swaziland*
13 *Basutoland*
with
14 *Tristan da Cunha*

COMMONWEALTH MYCOLOGICAL INSTITUTE
17 JUN 1960

ANNUAL REPORT AND STATEMENT OF ACCOUNTS

for the year to

31 DECEMBER 1959

This Report was presented to Parliament on 20th May, 1960
and published as House of Commons Paper No. 211

COLONIAL DEVELOPMENT CORPORATION

COLONIAL DEVELOPMENT CORPORATION

Under the Overseas Resources Development Acts 1948-58 (now consolidated by the Overseas Resources Development Act, 1959), the Colonial Development Corporation was established by Parliament in 1948, and operates for the purpose of assisting Colonial territories in the development of their economies. For this purpose the Corporation has power to undertake in Colonial territories, either alone or in association with others, projects for the promotion or expansion of a wide range of economic enterprises, including agriculture, forestry, fisheries, mining, industrial enterprises, gas, electricity and water undertakings, transport, housing, hotels, building and engineering.

The Corporation's borrowing powers were increased by Parliament in 1958 to £150 million on a long- or medium-term basis and £10 million on a short term basis. Of this, it may borrow up to £130 million outstanding at any one time from United Kingdom Exchequer funds.

The Corporation is organised to operate commercially and has a statutory obligation to pay its way, taking one year with another.

In independent Commonwealth countries CDC can, with agreement of governments concerned, act as managing agents, and render advisory services.

COLONIAL DEVELOPMENT CORPORATION

33 Hill Street,
London W.1
24 March 1960

The Rt Hon Iain Macleod MP
Secretary of State for the Colonies

The members of the Colonial Development Corporation have the honour to submit Report and Statement of Accounts for year to 31.12.59.

(Sgd) NUTCOMBE HUME
HUGH BEAVER
JOHN ELLIOT
OGMORE
C. J. PLEASS
J. F. PRIDEAUX
E. H. D. SKINNER

At the time of signing, Mr A. Gaitskell was absent on a mission in Pakistan on behalf of the International Bank for Reconstruction and Development.

MEMBERS

SIR NUTCOMBE HUME KBE MC (*Chairman*)

*SIR HUGH BEAVER KBE (*Deputy Chairman*)

SIR JOHN ELLIOT

A. GAITSKELL CMG

RT HON LORD OGMORE TD PMN

SIR CLEM PLEASS KCMG KCVO KBE

J. F. PRIDEAUX OBE

*E. H. D. SKINNER CBE

** Sir Hugh Beaver and Mr. Skinner completed their terms of office at 31.3.60. Lord Howick of Glendale GCMG, KCVO was appointed Deputy Chairman, and Mr. A. P. H. Aitken, a member, at 1.4.60.*

EXECUTIVE CHIEF OFFICERS

General Manager: W. RENDELL FCA

HEAD OFFICE CONTROLLERS

Finance	G. W. TOTMAN ACA
Operations	H. A. COCHRAN OBE BSc MIMinE MIMM R. PRENTICE CA H. L. PRYCE FCA P. M. WISE

REGIONAL CONTROLLERS

Caribbean	A. C. GRIEVE	*Central Africa*	D. F. FAIRBAIRN
Far East	D. E. M. FIENNES	*High Commission Territories*	J. C. CATER
East Africa	A. A. LAWRIE FSAA	*West Africa*	A. T. DE B. WILMOT

REGIONS

CARIBBEAN	British Honduras, British Guiana, all British West Indies Islands, Bahamas and Falkland Islands;
FAR EAST	Singapore, North Borneo, Brunei, Sarawak, Hong Kong, Fiji and the Western Pacific Islands;
EAST AFRICA	Aden, Kenya, Uganda, Tanganyika, Seychelles, Mauritius, Zanzibar;
CENTRAL AFRICA	Federation of Rhodesia and Nyasaland;
HIGH COMMISSION TERRITORIES	Basutoland, Bechuanaland Protectorate, Swaziland, Tristan da Cunha;
WEST AFRICA	Federation of Nigeria, Northern and Southern Cameroons, Gambia, Sierra Leone.

COMMONWEALTH COUNTRIES

GHANA	CDC operations under supervision of Regional Controller (West Africa) through Development Corporation (West Africa) Ltd.
FEDERATION OF MALAYA	CDC operations under supervision of Regional Controller (Far East) through Malaya Developments Ltd.

To the Corporation's great regret Sir Reginald Saloway, who had served as Controller of Operations from 1.1.1955, died on 1.10.59.

Mr P. M. Wise, who joined CDC on 16.10.50, was appointed Controller of Operations on 12.1.1959.

Mr D. F. Fairbairn, who joined CDC on 17.8.1949, was appointed Regional Controller (Central Africa) on 1.5.1959 on the retirement of Mr G. E. Thornton.

Mr J. C. Cater, who joined CDC on 17.1.1949, was appointed Regional Controller (High Commission Territories) on 1.10.1959 on the return of Mr R. Prentice to Head Office.

CONTENTS

I General Review

page

PROJECTS AT 31.12.59 2
REGIONAL AND FUNCTIONAL DISTRIBUTION OF CAPITAL 4
THE CORPORATION'S RECORD 9
PRODUCTION 11
COMMERCIAL AND LOCAL ASSOCIATION 11
MANAGEMENT 12
TRAINING SCHEMES 12
PUBLIC RELATIONS 13

II Financial Report

ACCOUNTS FOR 1959 16
BALANCE SHEET 16
ASSETS OF CORPORATION 17
INVESTMENTS 17
PROFIT AND LOSS ACCOUNT 17

THE ACCOUNTS

STATEMENT 1 Balance Sheet of the Corporation 18, 19
2 Notes forming part of the Accounts 20
3 Profit and Loss Account of the Corporation 21
4 Details of projects supporting Profit and Loss Account . . 22, 23
5 Assets and liabilities of direct projects 24, 25
6 Investments at cost less amounts written off 26, 27
7 Combined statement of assets and liabilities of subsidiary companies 28, 29
8 Assets and liabilities of subsidiary companies 30, 31
9 Combined statement of profit and loss accounts of subsidiary companies 32

III Project Reports with Regional Summaries

REGION

CARIBBEAN 35
FAR EAST 45
EAST AFRICA 59
CENTRAL AFRICA 71
HIGH COMMISSION TERRITORIES 79
WEST AFRICA 91
INDEX OF PROJECTS 101

Digitized by the Internet Archive
in 2025

https://archive.org/details/annual-report-colonial-development-corporation_1959

I

GENERAL REVIEW

PROJECTS AT 31.12.59

REGIONAL AND FUNCTIONAL DISTRIBUTION OF CAPITAL

THE CORPORATION'S RECORD

PRODUCTION

COMMERCIAL AND LOCAL ASSOCIATION

MANAGEMENT

TRAINING SCHEMES

PUBLIC RELATIONS

The Report and Accounts are for the year ending 31st December 1959, but later information has been included where it is significant.

1 Projects

(1) Last year seventy-seven continuing projects were reported; at 31.12.59 the number was eighty-eight. There are fifteen new projects and four have been removed from the list. The loan made in 1953 to Ubombo Ranches (Pty) Ltd was repaid during the year, its purpose having been fulfilled; Malayan Flour Mills lapsed as the proposals were withdrawn owing to a change of plan on the sponsor's part; Usutu Forests project is now merged in Usutu Pulp Co Ltd (shown as a new project); Coast Engineering Ltd has been merged with Coast Construction (Nigeria) Ltd for administrative reasons. These projects are not therefore included in the current list.

(2) Particulars of the fifteen new projects are given with the project reports in Part III. They are—

	Estimated CDC investment
	£
Blackbush Polder Rice Mill Investigation (British Guiana)	5,000
Cameroons Development Corporation	3,000,000
Caribbean Housing Finance Corporation Ltd (Jamaica)	2,000,000
Gambia Development Co	10,000
Grenada Electricity Services	444,000
Ikeja Industrial Development (Western Nigeria)	500,000
Industrial and Agricultural Co Ltd (Eastern Nigeria)	680,000
Industrial Promotion Corporation of Rhodesia and Nyasaland Ltd	50,000
Investment Company of Nigeria Ltd	100,000
Kaduna Hotel (Northern Nigeria)	250,000
Nigeria Hotels Ltd	335,000
Northern Developments (Nigeria) Ltd	750,000
Nyambeni Tea Co Ltd (Kenya)	135,000
Maramba Estate Ltd (Tanganyika)	350,000
Usutu Pulp Co Ltd (Swaziland)	4,575,000*
	£13,184,000

* Additional to £3,175,000 previously approved for forest development.

(3) In addition £4,046,000 further investment in existing projects has been approved.

(4) The following table indicates the total capital commitment of the Corporation to date of £114,978,000. The commitment at the end of 1959 was £103,885,000 representing £96,145,000 estimated eventual investment on continuing projects at that date and net accumulated losses £7,739,829 (ie Special Losses Account £8,799,793 less Reserve Fund £1,059,964). Additional estimated commitments at the date of this report total £11,093,000 being commitments for new projects since 31.12.59 £3,320,000 and estimated further investment required to complete existing projects £7,773,000, making a grand total of £114,978,000.

ESTIMATED TOTAL CAPITA

INCLUDING A LIST OF CONTINUI

Caribbean Region

BARBADOS
- Barbados Light and Power Co Ltd

BRITISH GUIANA
- *Blackbush Polder Rice Mill
- British Guiana Rice Development Co Ltd
- British Guiana Timbers Ltd

BRITISH HONDURAS
- British Honduras Fruit Co Ltd (citrus and cocoa)
- Fort George Hotel

DOMINICA
- Dominica Electricity Services
- Melville Hall Estate

GRENADA
- Grenada Electricity Services

JAMAICA
- Caribbean Housing Finance Corporation Ltd
- Cayman Islands Corporation (airport)
- Jamaica Citrus Growers Ltd
- Jamaica Cooling Store
- Jamaica Housing Development Co Ltd
- Jamaica Public Service Co Ltd

ST VINCENT
- St Vincent Electricity Services

TRINIDAD
- Federation Chemicals Ltd
- Trinidad Cement Ltd

Estimated CDC investment in the region £13,887,000

Far East Region

BORNEO TERRITORIES
- Borneo Abaca Ltd
- Borneo Development Corporation
- Borneo Housing Development Ltd
- Mostyn Estates Ltd

FEDERATION OF MALAYA
- Central Electricity Board
- Federal Land Development Authority
- Johore Palm Processing Ltd
- Kulai Oil Palm Estate Ltd
- Malaya Borneo Building Society Ltd (also operates in Singapore)
- Malayan Cocoa Ltd
- Malayan Industrial Development Finance Co Ltd
- United Cocoa Development Co Ltd

FIJI
- *Fiji Investigations

SINGAPORE
- Singapore Factory Development Ltd

Estimated CDC investment in the region £18,717,000

East Africa Region

KENYA
- Block Hotels Ltd
- East Africa Industries Ltd
- Kenya Housing Authority
- Kenya Meat Commission
- Kenya Power Co Ltd
- Macalder-Nyanza Mines Ltd
- Nyambeni Tea Co Ltd
- Oceanic Hotel Ltd
- Unga Ltd

TANGANYIKA
- Bird & Co (Africa) Ltd
- *Liganga Iron Ltd
- Maramba Estate Ltd
- *Mbeya Exploration Co Ltd
- *Rungwe Coal Co Ltd
- *Tanganyika Coalfields Ltd
- Tanganyika Wattle Co Ltd
- Tangold Mining Co Ltd

UGANDA
- Kilembe Mines Ltd

Estimated CDC investment in the region £16,113,000

Central Africa Region

CENTRAL AFRICA FEDERATION
- Central African Airways Corporation
- Federal Power Board (Kariba)
- Industrial Promotion Corporation of Rhodesia and Nyasaland Ltd

NORTHERN RHODESIA
- Chilanga Cement Ltd

*Investigations

MMITMENTS OF THE CORPORATION

JECTS BY REGIONS AND TERRITORIES AT 31.12.59

NYASALAND
- Kasungu Tobacco Estates
- Nyasaland African Housing
- Vipya Tung Estates

SOUTHERN RHODESIA
- Southern Rhodesia African Housing

Estimated CDC investment in the region £20,973,000

High Commission Territories Region

- High Commission Printing & Publishing Co Ltd

BASUTOLAND
- *Ox Bow Lake Power and Water

BECHUANALAND
- Bechuanaland Cattle Ranch
- Bushman Pits Ranch
- Lobatsi Abattoir
- Molopo Ranch
- Molopo Settlement Scheme

SWAZILAND
- Mhlume (Swaziland) Sugar Co Ltd
- Swaziland Canners (Pty) Ltd
- Swaziland Irrigation Scheme
- Usutu Pulp Co Ltd

TRISTAN DA CUNHA
- Tristan da Cunha Development Co Ltd

Estimated CDC investment in the region £16,657,000

West Africa Region

GAMBIA
- Gambia Development Co

GHANA
- Coast Construction Co Ltd

NIGERIA
- Cameroons Development Corporation
- Coast Construction (Nigeria) Ltd
- Dorman Long & Amalgamated Engineering Ltd
- Ikeja Industrial Development
- Ilushin Estates Ltd
- Industrial and Agricultural Co Ltd
- Investment Company of Nigeria Ltd
- Kaduna Hotel
- Lagos Executive Development Board
- Nigeria Hotels Ltd
- Nigeria Housing Development Society Ltd
- Nigerian Cement Co Ltd
- Northern Developments (Nigeria) Ltd
- Northern Housing Estates Ltd
- Omo Sawmills of Nigeria Ltd

SIERRA LEONE
- Freetown Hotel Ltd

Estimated CDC investment in the region £9,798,000

*Investigations

Total estimated CDC investment for continuing projects at 31.12.59		**£96,145,000**
Accumulated loss at 31.12.59—		
Special Losses Account	8,800,000	
Less Reserve Fund	1,060,000	
		7,740,000
Commitment at 31.12.59		**£103,885,000**
Additional estimated commitments—		
Commitments for new projects entered into since 31.12.59 . .	3,320,000	
Estimated further investment required to complete existing projects	7,773,000	
		11,093,000
Total commitment of the Corporation to date		**£114,978,000**

2 Regional and functional distribution of capital

(1) Diagram (Fig 1) shows the regional distribution of capital committed and spent on continuing projects at 31.12.59.

(2) Capital approved for new projects and for completion of existing ones was £17·23m (1958 £3m); gross new expenditures £6·25m (1958 £6m); the graph (Fig 2) shows cumulative capital growth.

(3) Diagram (Fig 3) shows the functional classification of capital committed and spent on continuing projects at the end of 1959.

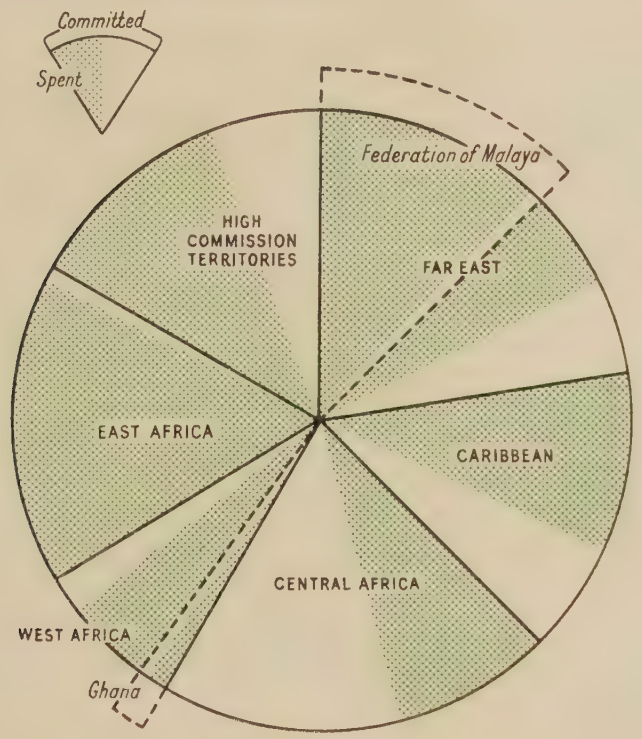


Fig 1

CONTINUING PROJECTS CAPITAL COMMITTED AND SPENT BY REGIONS

	Committed £000's	*Spent* £000's
Caribbean	13,887	7,274
Far East	18,717	14,937
(of which Malaya £12,878,000 committed £11,916,000 spent)		
East Africa	16,113	15,667
Central Africa	20,973	8,672
High Commission Territories	16,657	10,640
West Africa	9,798	2,731
(of which Ghana £350,000 committed £205,000 spent)		
	96,145	59,921

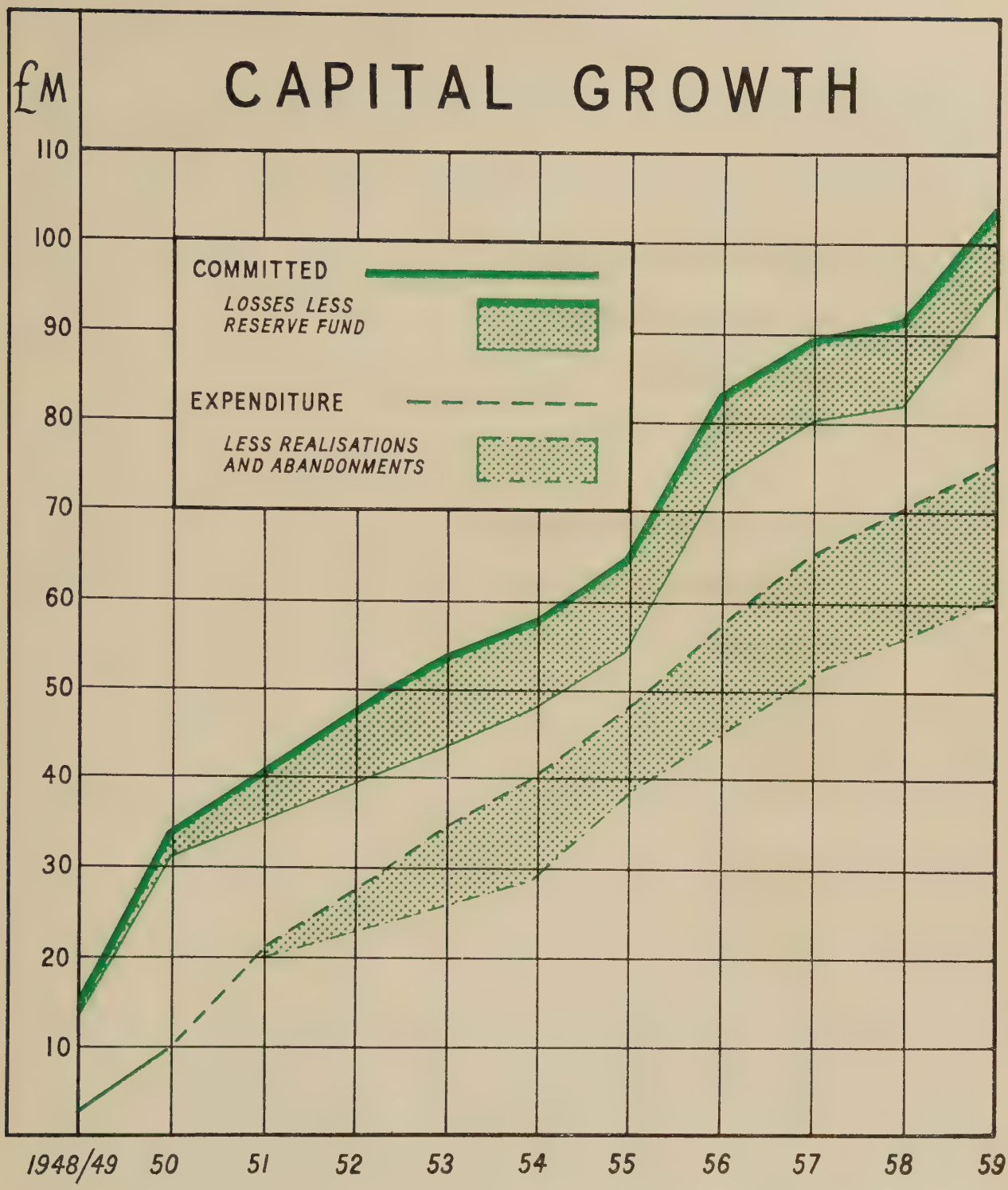

£M
CAPITAL GROWTH
110
100
90
80
70
60
50
40
30
20
10
COMMITTED
LOSSES LESS
RESERVE FUND
EXPENDITURE
LESS REALISATIONS
AND ABANDONMENTS
1948/49
50
51
52
53
54
55
56
57
58
59

Fig 2

FUNCTIONAL DISTRIBUTION OF CONTINUING PROJECTS

1958 and 1959 compared

CAPITAL COMMITTED (shaded area shows amount spent)

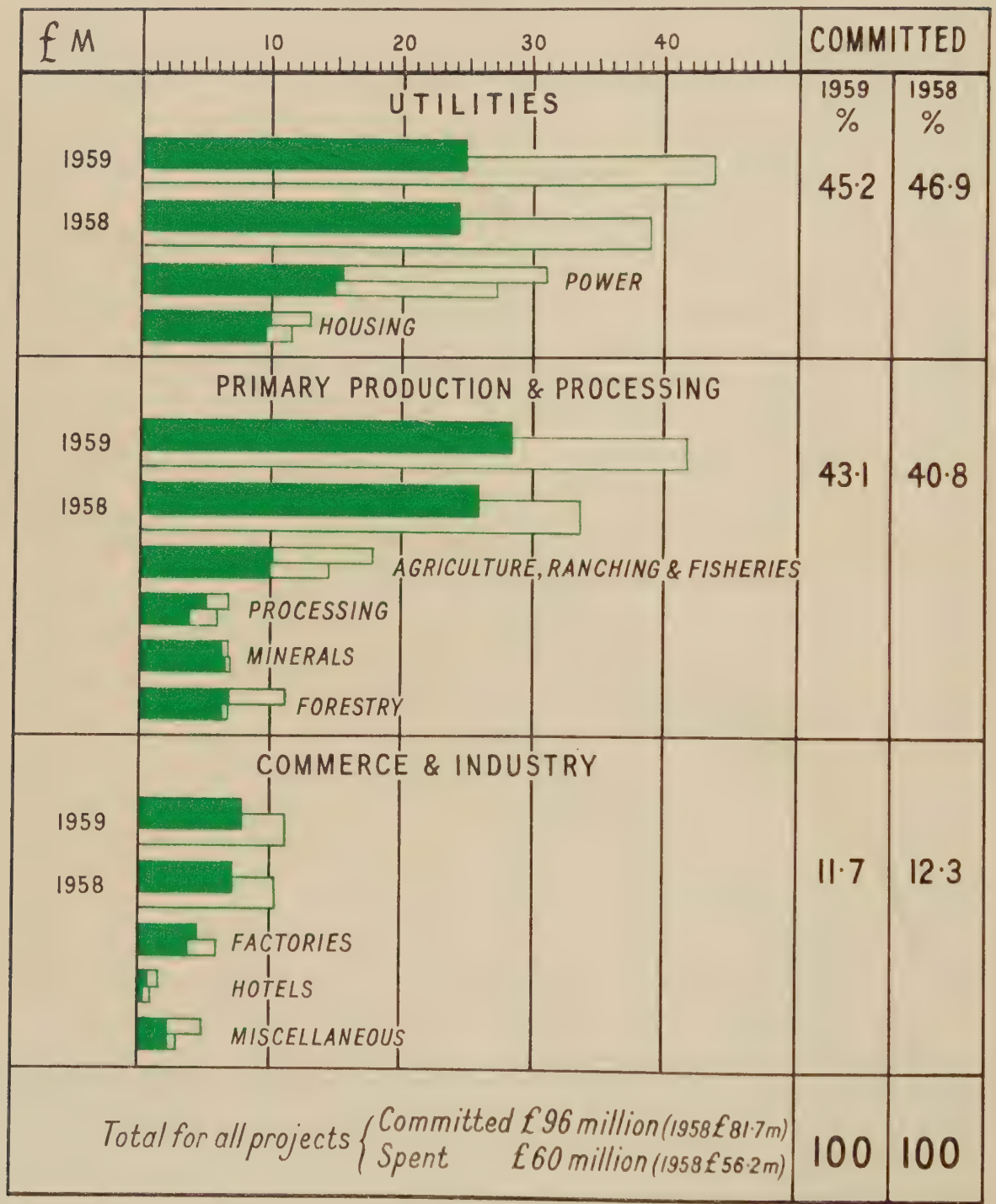


Fig 3

3 The Corporation's record

(1) The consolidated financial results of CDC and of its subsidiaries, in so far as they are attributable to the interest of CDC therein, for the five years 1955-59 may be summarised as follows—

Year	Net revenue from trading and investments	Amounts written off and provisions made against projects and investments less profits on realisations	Interest on capital charged in CDC accounts	Balance of profit as shown by CDC accounts	Interest on capital accrued and not charged in CDC accounts
(1)	(2)	(3)	(4)	(5)	(6)
1955	625,932	90,057 cr	306,756	409,233	1,113,000
1956	1,104,472	115,490 dr	416,173	572,809	1,377,000
1957	1,258,779	391,991 dr	533,920	332,868	1,559,000
1958	1,702,130	271,921 cr	799,331	1,174,720	1,563,000
1959	**2,273,817**	**306,640 cr**	**1,192,940**	**1,334,286**	**1,443,000**

NOTES

1 The figures in column (2) are before crediting or charging the items in columns (3) and (4).

2 The figures for 1958 in columns (3) and (5) are stated before charging £779,352 written off in respect of British Guiana Consolidated Goldfields Ltd and transferred to Special Losses Account.

3 The interest figures for columns (4) and (6) are stated after crediting provisional amounts in respect of the waiver of interest under Section 5 of the Overseas Resources Development Act 1954.

4 The total of interest accrued and not paid or charged in the accounts (col 6) after interest waiver as above, amounted in total at 31.12.59 to £9,926,000.

5 Balance of profits in column (5) is as shown in consolidated accounts up to 1958. For 1959 the figure is made up as follows—

Balance of profit of Corporation for year (Statement 3 of accounts)	£934,475
Corporation's share of net increase in undistributed profits of subsidiaries (Statement 9 of accounts)	£399,811
	£1,334,286

(2) The Overseas Resources Development Act 1957 provides that CDC's capital resources amount in total to £150m of which £130m can be borrowed direct from HM Government and £20m can be raised from 'other sources'. Additionally, £10m may be borrowed for temporary purposes.

At the end of 1958 £90,391,000 had been approved and £64,840,000 had been actually invested.

At the end of 1959 these amounts were respectively £103,885,000 and £67,661,000.

At the end of March 1960 total commitments were nearly £115,000,000 as shown in para 1 (4) and at foot of table on page 5.

(3) No capital has yet been raised from outside sources nor has any attempt been made to do so. Although CDC is now well established and its revenue increasing as shown above, its present capital structure is not suited to raising outside capital except with the guarantee of HMG because of the load of accrued interest which, unless removed or deferred, will in future become a serious drain. If the recommendations of the Report of the Committee of Enquiry into the Financial Structure of CDC (Cmnd 786) (Sinclair Committee) are adopted, it should be much easier to devise a form of capital which would find purchasers amongst private investors in this or other countries without the necessity of a guarantee.

(4) It will further be seen that CDC is now nearing the end of the resources it can draw from HMG and if it is to go forward further capital may soon be needed.

(5) As is normally the case with businesses starting from 'scratch' (and especially those engaged in such hazardous operations as CDC) it took several years before the Corporation got into its stride. It would not have succeeded so quickly but for the splendid work of Lord Reith, its chairman from 1951 to 1959.

(6) The correct adjustment of the relationship between the highly industrialised countries and the under-developed countries of the world is one of the greatest, if not the greatest, of the problems facing us today. In those under-developed territories for which HMG is responsible CDC, as constituted and now organised, is in a unique position to assist in finding a solution to this problem. Even when money and technical aid is available the capacity to put it to the best use is often lacking. It is here that the Corporation can be of such help for it has now built up an organisation staffed by experienced people and designed for this very purpose. Their fitness for the task is illustrated not only by the success now being achieved by the Corporation, but also by the fact that commercial interests, who have been hesitant to participate in risk ventures in territories whose political and economic futures were uncertain, have been reassured when the CDC has been ready to be associated with their investment.

(7) CDC may not make new investments in territories which have 'emerged' from colonial status; it can remain with its existing investments and even, with the necessary ministerial sanction, invest further money in them.

(8) CDC has always been ready to invest in the many smaller territories likely to remain as colonies for some time to come; it has sent missions to many of them; it has made known its willingness to invest in them and is pursuing an active policy in this field.

(9) To make the maximum use of CDC's experienced organisation at home and overseas it is also placing its services at the disposal of other investment funds. To that end the chairman is leading a mission of the general manager and all six regional controllers to Washington at the end of March to discuss the possibilities of CDC working for the International Bank, the International Finance Corporation (in both of which HMG has an interest) and the Development Loan Fund. But however successful this proposal may be it can only be second best to a continued use of its own funds—often perhaps in association with these other organisations as they get to know each other better. CDC is very happy that such an association with the International Finance Corporation is now under active negotiation.

(10) Today CDC is well equipped to make contact with and to examine new projects anywhere in the present or former dependent territories, to negotiate or assist in negotiating the terms of investment therein, to arrange for the management of the project, and (perhaps most important of all) to watch over its progress. No one knows better than CDC's regional organisation how

important this watching process is. Few projects get away to a smooth start and subsequent changes of management and organisation (as in CDC itself) are needed to avoid failure.
(11) In July 1959 the investigating committee under the chairmanship of Lord Sinclair of Cleeve reported to the Secretary of State for the Colonies, and CDC keenly looks forward to adoption of its recommendations. In the Corporation's opinion this report gives convincing proof of the necessity to reorganise CDC's capital structure. It emphasises the special and different character of CDC from other public corporations and illustrates in figures how CDC cannot bear the load of both interest and capital repayment at present laid upon it.

(12) Thus 1959 has highlighted the value of CDC as a business organisation, the useful service which it renders and can render in many parts of the world and the need for the solution of its financial problems. CDC's capital of £130m from HMG is now almost all committed. The Board of CDC sincerely hopes that machinery will be devised to permit it to raise further capital if needed and arrangements concluded to enable it to carry on its work throughout the areas where it is equipped to do so.

(13) The following paragraphs comment on important aspects of the Corporation's work, not because they are new, but because they deal with matters that are being given continuing and constant attention.

4 Production

(1) One of the main objects of development is to utilise human and material resources of a country economically and efficiently so that greater productivity will enable higher living standards to be enjoyed. It is therefore relevant to record the growing contribution that CDC projects are making to increased production in under-developed territories. As each year more projects reach full production the significance of this contribution increases, and in the separate project reports in Part III the production achievements of each project are recorded.

(2) The total value of products by direct projects and associated companies during 1959 amounted to approximately £18m. Much of this production contributed to the export trade of the countries concerned; CDC can therefore claim that its funds will increasingly lead to improving the sterling area's balance of payments.

(3) Almost of equal importance to production arising from CDC investment, though difficult to measure precisely, is the stimulation of other development caused by CDC's example and initiative. It can be said, for instance, that the Malaya Borneo Building Society and housing schemes in Africa and the Caribbean have influenced new housing enterprise and ideas; Borneo Abaca Ltd, in addition to introducing two new crops (cocoa and oil palms) has set new standards for large scale agricultural enterprise in Borneo with the result that there is much interest in development by other companies and greater local initiative. These are but examples of many indirect contributions CDC has made to the areas in which it operates.

5 Commercial and local association

(1) Opportunities have continued to be taken for partnership with private enterprise and association with local interests whenever it has been practical to do so.

(2) By supplementing private commercial investment CDC funds are sometimes able to make possible development that would not otherwise be undertaken. The enlistment of private capital is also frequently the means of introducing experienced management.

(3) Private enterprise participation is not, however, invariably the best or most appropriate for all projects at every stage; development opportunities sometimes occur where investment and direction by CDC alone is the only way to get the development started. Later, when the projects have become established, the chance may come to enlist private enterprise association.

(4) There are now twenty-four direct projects with no significant outside participation and there are several outstandingly successful projects, notably Borneo Abaca Ltd, British Guiana Timbers Ltd, Swaziland Irrigation Scheme, Malaya Borneo Building Society Ltd and Usutu Forests, which were started, and in some cases continued after considerable reorganisation, under sole CDC control.

(5) The association of local interests with projects is achieved in a variety of ways according to circumstances. In some cases there is financial participation by local governments or statutory bodies as well as or as an alternative to local private enterprise; in others local representative persons have been invited to serve on the boards of subsidiary companies.

(6) Much thought and study have been given to smallholder schemes attached to nucleus estates as a means of providing close association with the local people. The Corporation hopes to undertake or assist more of these in future.

6 Management

(1) With enterprise so diverse in character and so widespread in location it is impossible to stress too greatly the importance of efficient management. Any organisation like CDC can only be successful when there is full confidence in the reliability and competence of local management.

(2) Special attention is constantly being given to this problem, not only in the selection of managers for those projects controlled directly or through subsidiary companies, but also by making satisfactory expert management a necessary condition for financial participation in any development enterprise.

(3) As a result of the continued emphasis that has been given to this aspect CDC has accumulated much experience in judging the best form of management for many different kinds of undertakings and has also built up a considerable team of trusted managers: but CDC's existing management and the recruitment of suitable young people will only continue to be possible if they can be made to feel sure that CDC will be given the chance to grow and is not constantly threatened with a contraction in its scope.

(4) Important as is the selection of good management in the first instance, the process of watching that management's progress and making changes where necessary is even more important. CDC's methods of supervision through its regional organisation are especially useful in this field.

7 Training schemes

(1) The Corporation is convinced that the successful development of under-developed territories requires more than the lending of money; capital investment needs to be guided and controlled by skilled and experienced management. It is of special importance that development should proceed as a partnership with the local people in each country.

(2) Through its regional organisations, subsidiary companies and projects, CDC is helping suitable people in British overseas territories to undergo business training to equip them to hold responsible posts in any commercial organisation.

(3) Several candidates from Nigeria, Malaya and the West Indies have already been given management training in the regional and London offices of the Corporation. Scholarships at Commonwealth Universities are now being offered in the West Indies and in North Borneo.

(4) Training for technical and supervisory positions is being given on projects in the West Indies, the Far East and in various parts of Africa.

8 Public relations

(1) The importance of encouraging both at home and overseas a correct understanding of the Corporation's purpose and work is constantly borne in mind.

(2) The first requirement for achieving good public relations is a record of successful development; it is also important that the Corporation be ready to give as much information as it can to all who may be interested. This is done by co-operation with the Press, by helpful contacts with interested Members of Parliament and by a ready response to enquiries from the general public. Numerous requests have been met for talks to Rotary Clubs, Chambers of Commerce, and many other similar organisations.

(3) Not the least important aspect of this question is the need for a well-informed and interested staff; all staff at home and overseas are helped to realise that, while concentrating on their own particular work, they are contributing a significant part to a widespread and many-sided enterprise.

(4) This subject is regularly reviewed and the Corporation is happy to report that in all regions its relations with governments, with private commercial interests and with the general public are pleasantly satisfactory. The Board of CDC is grateful to all these, and at home to the Colonial Office and Commonwealth Relations Office for their co-operation in its work.

II

FINANCIAL REPORT

ACCOUNTS FOR 1959

BALANCE SHEET

ASSETS OF CORPORATION

INVESTMENTS

PROFIT AND LOSS ACCOUNT

THE ACCOUNTS

9 Accounts for 1959

(1) Accounts and supporting statements for year to 31.12.59 are:

Statement 1 Balance Sheet of Corporation
2 Notes forming part of the Accounts
3 Profit and Loss Account of Corporation
4 Details of projects supporting Profit and Loss Account
5 Assets and liabilities of direct projects
6 Investments at cost less amounts written off
7 Combined statement of assets and liabilities of subsidiary companies
8 Assets and liabilities of subsidiary companies
9 Combined statement of profit and loss accounts of subsidiary companies

(2) After consultation with the auditors, and arising from the developing circumstances of the Corporation it has been decided that presentation of the CDC accounts in the form (group accounts) adopted this year would give a clearer view of CDC affairs than the consolidated accounts hitherto presented. CDC subsidiary companies cover a wide spread of projects (plantations, mines, factories, building societies, etc) and the extent of the CDC interest in each ranges at any one time from a wholly-owned CDC operation to 51% investment, so that an agglomeration of items under the normal asset and liability headings in a consolidated balance sheet, with an appropriate adjustment for the interest of minority shareholders, has become less informative as the years pass. Moreover, part of the CDC's long term function is to hive off established projects when a suitable opportunity arises rather than itself to operate indefinitely in the various trading activities in which it gets involved. Alterations in the CDC shareholding in subsidiary companies can cause (and have caused) major consequential adjustments in a consolidated profit and loss account which can greatly distort the picture of any year's results.

(3) Additional statements are submitted this year which show the assets/liabilities and profit/loss details of direct projects separately from those of subsidiary companies.

10 Balance Sheet

(1) The increase shown in Advances from Government during the year was £3,035,771 which was a net figure as under—

Gross drawings during year	£3,245,333
Less annuity repayments	209,562
	£3,035,771

(2) As already stated in para 2 (2), CDC expenditure on capital development during the year was about £6·25m ie almost twice the gross drawing figure. Additional £3m was finance from—

	£m
1 Repayment of investments made to CDC under loan, etc, obligations	·4
2 Net operating profit of the Corporation for 1959	1·9
3 Profit on realisation of assets	·6
4 Retained profits of CDC subsidiaries	·4
5 Depreciation provisions charged against profits of CDC and subsidiaries	·8
	£4·1m
6 Less annuity and interest payments to Colonial Office made during year	1·1
	£3·0m

(3) Specific provisions £300,000 (1958 £217,251) include amounts held against investments in Malayan Cocoa Ltd (para 43), United Cocoa Development Co Ltd (para 45), Swaziland Canners (Pty) Ltd (para 85), Tristan da Cunha Development Co Ltd (para 88), Coast Construction (Nigeria) Ltd (para 91) and Omo Sawmills of Nigeria Ltd (para 106).

11 Assets of Corporation

Nothing is shown in the 1959 balance sheet for Forestry Crops, (1958 £1,331,577), nor for Mining Investigations and Development (1958 £462,213) and the net figure for Fixed Assets has decreased by £933,423. These movements reflect the transfer of the Usutu Forests project to Usutu Pulp Co Ltd and of the Tanganyika Coalfields investigation to Tanganyika Coalfields Ltd, which are both companies in which CDC does not hold a majority interest. The amount shown under Investments (unquoted) has increased by £7,129,892, partly due to these transfers as well as by the making of new investments.

12 Investments

Amounts totalling £388,000 have been received during the year in repayment of loans and redemption of preference shares according to contract. Deferment of repayment instalments totalling £519,182 has been agreed in respect of loans to British Guiana Rice Development Co Ltd, Oceanic Hotel Ltd, Tangold Mining Co Ltd, and Swaziland Canners (Pty) Ltd. Further information is given in the project reports.

13 Profit and Loss Account

(1) Net Profits of Direct Projects, Income from Subsidiary Companies and Income from Investments increased by £345,503 to £2,302,123 (1958 £1,956,620) with increases under each individual heading. In fact the amount brought into the Corporation profit and loss account under Income from Subsidiaries being restricted to loan interest due and dividends declared, gives an incomplete view of the real improvement in the trading results of its subsidiaries. Statement 9, which sets out the profits and losses of CDC subsidiaries, shows that the net CDC share of undistributed profits/losses of subsidiaries increased by some £400,000.

(2) No credit has been taken in the accounts for interest (£5,216) due for 1959 but unpaid by Swaziland Canners (Pty) Ltd (para 85), or for interest (£119,050) due from Macalder-Nyanza Mines Ltd and since waived (para 54). Tangold Mining Co Ltd was granted a moratorium for payment of £44,901 interest (for which credit has been taken) until 31.3.61 (para 65). Apart from these three items all interest due to Corporation for the year under loan agreements has been duly paid.

(3) Investigation expenditure written off £54,846 (1958 £22,094) represents costs of ninety-seven investigations, abortive and irrecoverable.

Balance Sheet

31.12.58				
£			£	£
	CAPITAL LIABILITY TO GOVERNMENT			
47,994,920	Long term advances		49,269,366	
12,211,618	Medium term advances		12,511,618	
930,000	Short term advances		876,000	
210,000	Special term advances		1,725,325	
61,346,538				64,382,309
	CURRENT LIABILITIES			
46,533	Amounts owing to subsidiary companies		19,197	
995,803	Creditors and accrued charges		1,215,583	
11,412	Bank overdrafts		2,554	
				1,237,334
1,001,066	PROVISIONS			1,000,000
	Specific provisions		300,000	
	General provision against book value of projects and investments		700,000	
			1,000,000	
	RESERVE FUND			
	Balance as at 1.1.59		125,489	
	Add: Balance of profit for year (statement 3)		934,475	
125,489				1,059,964
£63,526,841				£67,679,607

Relevant notes on statement 2 form part of this Balance Sheet

(*Signed*) NUTCOMBE HUME *Chairman*
HUGH BEAVER *Deputy Chairman*

W. RENDELL *General Manager*

Report to the Colonial Development Corporation by the Auditors appointed under Section 17 (3)

We have audited the above Balance Sheet and annexed Profit and Loss Account (statement 3) and have obtained all the information Accounts are in agreement therewith.

In our opinion the Balance Sheet and Profit and Loss Account, together with the notes on statement 2, give respectively a true and

We have examined the Group Accounts comprising the audited accounts of the Corporation and Combined Statements of the Assets audited accounts. The accounts of certain of the subsidiary companies have been audited by other firms. In our opinion the Group Accounts and also of the subsidiary companies so far as concerns the Corporation.

11 Ironmonger Lane, London, E.C.2.
24th March, 1960.

31.12.59

STATEMENT 1

31.12.58		Cost less Sales	Depreciation and amounts written off	
£		£	£	£
	FIXED ASSETS			
5,236,350	Freehold and leasehold land, plantations, concessions, buildings and constructions	5,316,832	873,098	4,443,734
597,030	Plant and machinery	899,921	392,948	506,973
3,467	Ships and vessels	3,922	811	3,111
73,871	Land clearance equipment, tractors and agricultural equipment	159,079	108,600	50,479
55,254	Motor vehicles and rolling stock	90,394	65,550	24,844
63,695	Furniture, fixtures, office and hotel equipment	207,397	140,294	67,103
6,029,667		6,677,545	1,581,301	5,096,244
30,258	SURPLUS ASSETS awaiting disposal at estimated realisable values			29,245
1,331,577	*FORESTRY CROPS AT COST*			—
	EXPENDITURE ON DEVELOPMENT INCLUDING REVENUE EXPENDITURE CARRIED FORWARD AT COST LESS AMOUNTS WRITTEN OFF			
115,842	Land clearance		121,255	
462,213	*Mining investigations and development*		—	
545,019	General development, surveys and revenue expenditure carried forward		381,913	
				503,168
	INVESTMENTS AT COST LESS AMOUNTS WRITTEN OFF			
3,599,553	Quoted (market value £3,092,910 *1958* £3,073,500)		3,607,303	
27,945,132	Unquoted		35,075,024	
				38,682,327
	SUBSIDIARY COMPANIES			
6,665,249	Investments at cost less amounts written off		6,958,028	
6,009,922	Loans and advances less amounts written off		5,489,914	12,447,942
52,734,432				56,758,926
	CURRENT ASSETS			
722,122	Stocks, stores and livestock at cost or market value whichever is lower or at valuation		571,075	
82,201	Growing crops at cost or valuation		71,777	
684,206	Debtors and prepayments less provisions		644,102	
504,087	Cash at banks and in hand		833,934	
				2,120,888
	SPECIAL LOSSES ACCOUNT			
8,799,793	Amount transferred from Profit and Loss Account as at 31.12.58			8,799,793
£63,526,841				£67,679,607

he Overseas Resources Development Act, 1959, by the Secretary of State for the Colonies.

explanations which we considered necessary. Proper books have been kept and proper returns received from overseas offices, and the

view of the state of the Corporation's affairs at 31st December, 1959 and of the profit for the year to that date.

Liabilities (statement 7) and of the Profit and Loss Accounts (statement 9) of the subsidiary companies prepared from their respective a true and fair view of the state of affairs at 31st December, 1959, and of the profit for the year ended on that date of the Corporation

(*Signed*) PEAT, MARWICK, MITCHELL & Co.
Chartered Accountants, Auditors.

NOTES FORMING PART OF THE ACCOUNTS

(1) Maximum borrowing powers of Corporation—

(*a*) £150m;

(*b*) £10m temporarily by way of overdraft or otherwise.

(2) Assets and liabilities in colonial and foreign currencies have been converted at rates ruling at 31.12.59.

(3) Corporation has contractual commitments for capital expenditure of £6,000 and for debentures, loans and partly paid shares of £23,500,000, including commitments to subsidiary companies £2,000,000. Corporation is contingently liable in respect of guarantees.

(4) 'Freehold and leasehold land etc' includes material expenditure on land at one project, the lease for which has not yet been completed.

(5) Under terms of Colonial Office directions long term (40 years) advances are repayable by annuities for 33 years beginning at end of seven years from 31st March following dates of advance. Interest charged in annuities is based on specific rates of interest applied to outstanding advances from date of each advance; precise method of calculation is under discussion between Corporation and Colonial Office. Aggregate amount of interest in future annuities attributable to so much of seven year periods as has elapsed to 31.12.59 is on Colonial Office basis £12,009,646, on Corporation basis £10,688,809; both figures before allowance for interest to be waived under Section 14 of Overseas Resources Development Act 1959. Amount of such waiver has not yet been ascertained but a provisional credit of £236,643 has been taken into account for the year 1959 *1958 £130,000* for interest portion of annuities charged in Profit and Loss Account.

(6) Total depreciation and amortisation charged by Corporation for year to 31.12.59 was £243,201 *1958 £239,469.*

Profit and Loss Account—year to 31.12.59

Year to 31.12.58		£	£
£			
125,076	NET PROFITS OF DIRECT PROJECTS (per statement 4)		189,699
408,353	INCOME FROM SUBSIDIARY COMPANIES (per statement 4)		413,084
1,423,191	INCOME FROM INVESTMENTS (per statement 4)		1,699,340
1,956,620			2,302,123
22,094	INVESTIGATION EXPENDITURE WRITTEN OFF	54,846	
259,623	ADMINISTRATIVE EXPENDITURE (head office and overseas offices)	263,334	
	Above administrative expenditure is stated after making allocations to:		

1958		
£		*£*
48,395	Projects—revenue expenditure	57,050
16,233	—fixed assets and forestry crops	11,606
28,279	—expenditure on development	35,752
14,905	Investigations	36,517
37,634	Subsidiary companies	50,968
145,446		191,893

	REMUNERATION OF MEMBERS	£		
7,288	Fees and expenses	7,233		
5,250	Salaries	5,250		
305	Insurance premium for pension for former member	305	12,788	330,968
1,662,060				1,971,155
Cr 8,077	OVERSEAS INCOME TAX			102,133
£1,670,137	NET OPERATING PROFIT OF CORPORATION CARRIED DOWN			£1,869,022
1,670,137	BALANCE BROUGHT DOWN			1,869,022
382,650	*Add:* PROFIT ON REALISATION OF ASSETS			609,740
2,052,787				2,478,762
	Deduct: INTEREST PAYABLE TO GOVERNMENT less provisional amount credited in respect of interest waiver (see note 5)		1,192,940	
Dr 799,331	AMOUNT TRANSFERRED TO PROVISION		301,891	
Dr 8,088	DEFERRED REVENUE EXPENDITURE WRITTEN OFF		49,456	
—				1,544,287
Dr 70,648	*AMOUNT written off investments less transferred to Special Losses Account £779,352*			—
£1,174,720	BALANCE OF PROFIT FOR YEAR appropriated under Section 15 of Overseas Resources Development Act 1959 to Reserve Fund (statement 1)			£934,475

Notes (5) and (6) on statement 2 form part of this Profit and Loss Account

Details of Projects supporting Profit and Loss Account– year to 31.12.59

1958 Loss	1958 Profit		Net trading Loss	Net trading Profit
£	£	DIRECT PROJECTS	£	£
—	7,812	Bechuanaland Cattle Ranch	36,192*	—
606	—	Bushman Pits Ranch	826	—
—	14,101	Dominica Electricity Services	—	7,093
—	1,756	Fort George Hotel	—	1,857
—	7,785	Jamaica Cooling Store	—	11,166
49,194	—	Kasungu Tobacco Estates	13,720	—
—	41,232	Kulai Oil Palm State	—	77,655
—	38,024	Lobatsi Abattoir	—	46,709
9,828	—	Melville Hall Estate	—	5,359
—	21,213	Molopo Ranch and Settlement Scheme	—	12,437
—	17,301	St Vincent Electricity Services	—	15,546
—	14,939	Singapore Factory Development	—	3,403
—	1,563	Swaziland Irrigation Scheme	—	52,431*
16,402	—	Vipya Tung Estates	15,044	—
—	35,380	SUNDRY INCOME	—	21,825
76,030	201,106		65,782	255,481
	76,030			65,782
	£125,076	NET PROFIT (statement 3)		£189,699

Interest	Dividends		Interest	Dividends
		SUBSIDIARY COMPANIES		
—	—	Borneo Abaca Ltd	32,450	—
9,284	—	British Guiana Timbers Ltd	3,042	—
116,230	—	*Macalder-Nyanza Mines Ltd*	—	—
41,610	162,819	Malaya Borneo Building Society Ltd	35,232	191,873
(Dr) 866	—	Nigeria Housing Development Society Ltd	(Dr) 506	—
1,720	—	Omo Sawmills of Nigeria Ltd	2,478	—
36,687	40,000	Rhodesia & Nyasaland Development Corporation Ltd	35,562	63,000
869	—	Singapore Factory Development Ltd	3,478	—
—	—	Tanganyika Wattle Co Ltd	46,475	—
205,534	202,819		158,211	254,873
	205,534			158,211
	£408,353	INCOME FROM SUBSIDIARY COMPANIES (statement 3)		£413,084

1958 Interest £	1958 Dividends £		Interest £	Dividends £
		LOANS TO GOVERNMENTS AND STATUTORY BODIES		
55,653	—	British Guiana Rice Development Co Ltd	64,375	—
2,116	—	Cayman Islands Airport	1,977	—
101,375	—	Central African Airways Corporation	98,003	—
300,853	—	Central Electricity Board	300,853	—
145,724	—	Federal Power Board	187,500	—
79,410	—	Kenya Housing Authority	114,375	—
12,387	—	Kenya Meat Commission	11,683	—
56,250	—	Lagos Executive Development Board	56,250	—
35,466	—	Nyasaland Government—African Housing	61,687	—
59,434	—	Southern Rhodesia Government—African Housing	59,375	—
		OTHER INVESTMENTS		
13,125	—	Barbados Light & Power Co Ltd	21,716	—
6,366	—	Bird & Co (Africa) Ltd	25,242	—
903	—	Block Hotels Ltd	4,730	2,500
14,475	—	Coast Construction Co Ltd	9,712	25,000
3,375	—	Dorman Long & Amalgamated Engineering Co Ltd	4,901	—
10,715	10,313	East Africa Industries Ltd	10,122	10,962
12,910	—	Federation Chemicals Ltd	56,875	—
2,086	—	Jamaica Citrus Growers Ltd	4,404	—
2,918	—	Jamaica Housing Development Co Ltd	26,710	—
15,000	—	Jamaica Public Service Co Ltd	15,000	—
192,500	—	Kenya Power Co Ltd	192,500	—
64,500	—	Kilembe Mines Ltd	60,000	—
19,792	—	Mhlume (Swaziland) Sugar Co Ltd	69,989	—
—	14,062	The Nigerian Cement Co Ltd	—	4,688
7,400	—	The Oceanic Hotel Ltd	9,575	—
36,818	—	Tangold Mining Co Ltd	44,901	—
—	51,513	Trinidad Cement Ltd	—	48,638
41,750	12,500	Unga Ltd	40,379	12,500
41,502	—	Sundry	42,218	—
£1,334,803	88,388		£1,595,052	104,288
	1,334,803			1,595,052
	£1,423,191	INCOME FROM INVESTMENTS (statement 3)		£1,699,340

*After writing off £13,797 at Bechuanaland Cattle Ranch and £10,174 at Swaziland Irrigation Scheme in respect of surplus assets

Assets and Liabilities of

Projects	Fixed Assets at net book value	Surplus Assets awaiting disposal at estimated realisable values
	£	£
Bechuanaland Cattle Ranch	53,108	—
Bushman Pits Ranch	10,611	—
Dominica Electricity Services	227,886	—
Fort George Hotel	94,832	—
Jamaica Cooling Store	103,850	—
Kasungu Tobacco Estates	101,431	—
Kulai Oil Palm Estate	830,469	—
Lobatsi Abattoir	395,659	—
Melville Hall Estate	39,909	—
Molopo Ranch and Settlement Scheme	56,072	—
St Vincent Electricity Services	217,439	—
Singapore Factory Development	25,751	—
Swaziland Irrigation Scheme	1,913,398	—
Vipya Tung Estates	737,316	—
	£4,807,731	—
Add head office and overseas offices	288,513	29,245
per statement 1	£5,096,244	£29,245

irect Projects–31.12.59

STATEMENT 5

Land clearance and Development at cost less mounts written off	Investments at cost less amounts written off	Investments in and loans and advances to subsidiary companies at cost less amounts written off	Current Assets	Current Liabilities including amounts owing to subsidiary companies
£	£	£	£	£
—	—	—	99,847	15,229
1,965	—	—	2,204	1,660
997	—	—	20,996	9,295
—	—	—	18,087	2,895
5,656	—	—	18,554	2,125
12,552	—	—	29,374	4,320
7,840	—	259,760	58,638	11,801
—	—	—	240,140	82,163
6,197	—	—	15,251	1,105
7,737	34,985	—	139,561	7,331
1,941	—	—	23,139	7,884
—	24,964	—	2,086	556
407,752	39	—	315,627	49,151
—	—	—	30,434	13,790
£452,637	£59,988	£259,760	£1,013,938	£209,305
50,531	38,622,339	12,188,182	1,106,950	1,028,029
£503,168	£38,682,327	£12,447,942	£2,120,888	£1,237,334

Investments at Cost

SHARES IN ASSOCIATED COMPANIES	£	£
(*a*) quoted		
Bird & Co (Africa) Ltd (market value £33,125)		18,750
(*b*) unquoted		
Block Hotels Ltd	40,000	
Coast Construction Co Ltd	50,000	
Coast Construction (Nigeria) Ltd	30,000	
East Africa Industries Ltd	194,000	
Federation Chemicals Ltd	13,636	
Freetown Hotel Ltd	2,500	
Ilushin Estates Ltd	99,375	
Investment Company of Nigeria Ltd	100,000	
Kilembe Mines Ltd	1,140,000	
Liganga Iron Ltd	9,750	
Malayan Cocoa Ltd	46,667	
Mhlume (Swaziland) Sugar Co Ltd	500,000	
The Nigerian Cement Co Ltd	187,500	
Northern Housing Estates Ltd	10,000	
Rungwe Coal Co Ltd	4,375	
Tanganyika Coalfields Ltd	26,894	
Tangold Mining Co Ltd	565,000	
Trinidad Cement Ltd	920,000	
Unga Ltd	250,000	
United Cocoa Development Co Ltd	19,071	
Usutu Pulp Co Ltd	250,000	
Sundries	570	
		4,459,338
LOANS TO GOVERNMENTS AND STATUTORY BODIES		
British Guiana Rice Development Co Ltd	1,292,000	
Cayman Islands Airport	38,850	
Central African Airways Corporation	1,662,500	
Central Electricity Board	7,077,950	
Federal Power Board	2,950,000	
Kenya Housing Authority	2,000,000	
Kenya Meat Commission	200,000	
carried forward	15,221,300	4,478,088

Less Amounts written off

LOANS TO GOVERNMENTS AND STATUTORY BODIES (*continued*)	£	£
brought forward	15,221,300	4,478,088
Lagos Executive Development Board	1,250,000	
Nyasaland Government—African Housing	1,000,000	
Southern Rhodesia Government—African Housing	1,000,000	
		18,471,300
DEBENTURES, SECURED AND UNSECURED LOANS		
(*a*) quoted		
Bird & Co (Africa) Ltd	89,000	
Kenya Power Co Ltd	3,499,553	
(market value £3,059,785)		3,588,553
(*b*) unquoted		
Barbados Light & Power Co Ltd	650,000	
Bird & Co (Africa) Ltd	300,000	
Block Hotels Ltd	112,500	
Coast Construction Co Ltd	155,000	
Coast Construction (Nigeria) Ltd	198,625	
Dorman Long & Amalgamated Engineering Co Ltd	95,000	
East Africa Industries Ltd	157,667	
Federation Chemicals Ltd	986,364	
High Commission Printing & Publishing Co Ltd	5,000	
Jamaica Citrus Growers Ltd	85,000	
Jamaica Housing Development Co Ltd	437,150	
Jamaica Public Service Co Ltd	294,000	
Kilembe Mines Ltd	973,416	
Liganga Iron Ltd	20,000	
Mbeya Exploration Co Ltd	450,000	
Mhlume (Swaziland) Sugar Co Ltd	2,050,000	
The Oceanic Hotel Ltd	125,000	
Rungwe Coal Co Ltd	30,625	
Swaziland Canners (Pty) Ltd	80,571	
Tanganyika Coalfields Ltd	275,754	
Tangold Mining Co Ltd	748,353	
Unga Ltd	570,362	
Usutu Pulp Co Ltd	3,250,000	
Advances on mortgage	59,014	
Sundries	34,985	
		12,144,386
per statement 1		£38,682,327

Combined Statement of Assets and

31.12.58		
£	£	
		FIXED ASSETS
3,219,317		Freehold and leasehold land, plantations, concessions, buildings and constructions
1,491,156		Plant and machinery
233,269		Ships and vessels
95,507		Land clearance equipment, tractors and agricultural equipment
186,703		Motor vehicles and rolling stock
76,218		Furniture and fittings
5,302,170		
	358,863	FORESTRY CROPS at cost less amounts written off
	1,391,880	LAND CLEARANCE, MINING INVESTIGATIONS AND DEVELOPMENT at cost less amounts written off
1,750,743		
		INVESTMENTS at cost less amounts written off
	553,846	quoted (market value £692,307, *1958* £747,692)
	618,073	unquoted
	1,171,919	
	10,042,118	BUILDING SOCIETY ADVANCES ON MORTGAGE
11,214,037		
		CURRENT ASSETS
	887,488	Stocks, stores and livestock at cost or market value whichever is lower or at valuation less advances
	2,198	Growing crops at cost
	345,087	Debtors and prepayments less provisions
	46,533	Amounts owing by Corporation
	—	Treasury Bills
	79,410	Cash in hand and at banks
1,360,716		
19,627,666		
		Deduct: CURRENT LIABILITIES
	661,343	Creditors and accrued charges
	1,913,095	Building Society deposits
	115,445	Bank overdrafts—unsecured
	2,592,612	Bank loans —secured
5,282,495		
14,345,171		
	6,009,922	*Deduct:* Loans and advances by Corporation
	2,208,104	Minority shareholders' interests
8,218,026		
£6,127,145		NET TANGIBLE ASSETS ATTRIBUTABLE TO CORPORATION INVESTMENTS
		Represented by
6,665,249		£ Cost of shares in subsidiary companies less amounts written off
		Deduct: post acquisition losses less profits carried forward by subsidiary companies applicable to Corporation—
	524,646	Net losses retained profits to 31.12.58 carried forward by subsidiary companies
	142,628	Net profits less losses for year to 31.12.59
	122,691	*Less* dividends paid to Corporation (net)
	19,937	
504,709		
6,160,540		
Dr 33,395		*Add:* net adjustment in respect of the excess of the net tangible assets of subsidiary companies at dates of acquisition over the cost of shares less amounts written off
£6,127,145		

Liabilities of Subsidiary Companies–31.12.59

Cost, net book value at date of acquisition of shares or valuation, less sales	Depreciation	
£	£	£
4,453,445	995,517	3,457,928
2,029,551	604,554	1,424,997
456,760	246,321	210,439
263,103	180,636	82,467
382,935	196,908	186,027
203,640	111,601	92,039
7,789,434	2,335,537	5,453,897
	333,353	
	1,155,843	
		1,489,196
	553,846	
	403,884	
	957,730	
	10,695,479	
		11,653,209
	841,717	
	1,525	
	432,118	
	19,197	
	34,711	
	150,279	
		1,479,547
		20,075,849
	1,217,834	
	1,563,079	
	80,316	
	2,471,956	
		5,333,185
		14,742,664
	5,489,914	
	2,382,508	
		7,872,422
		£6,870,242
		6,958,028
	504,709	
554,310		
154,499		
	399,811	
		104,898
		6,853,130
		17,112
		£6,870,242

Notes

(1) Assets and liabilities in colonial and foreign currencies have been converted at rates ruling at 31.12.59.

(2) Accounts of Tristan da Cunha Development Co Ltd are made up for the year to 30.6.59.

(3) There are contractual commitments for capital expenditure of £50,000 and for debentures, loans and partly paid shares of £1,000,000.

(4) There are contingent liabilities for bills discounted of £32,649.

Assets and Liabilities of

	Fixed Assets at net book value	Forestry crops Land clearance Mining Investigations and Development at cost less amounts written off	Investments and loans (including Building Society advances) at cost less amounts written off
	£	£	£
Borneo Abaca Ltd	2,028,025	41,416	—
Borneo Development Corporation Ltd	958	—	—
Borneo Housing Development Ltd	4,462	—	135,819
British Guiana Timbers Ltd	759,200	47,946	28,652
British Honduras Fruit Co Ltd	139,969	4,633	—
Industrial & Agricultural Co Ltd	1,006	—	—
Johore Palm Processing Ltd	246,972	—	134
Macalder-Nyanza Mines Ltd	1,045,888	671,022	—
Malaya Borneo Building Society Ltd	241,409	—	10,136,793
Mostyn Estates Ltd	172,073	8,231	—
Nigeria Housing Development Society Ltd	49,866	—	503,817
Northern Developments (Nigeria) Ltd	1,432	75	—
Omo Sawmills of Nigeria Ltd	135,778	4,900	—
Singapore Factory Development Ltd	—	—	145,560
Tanganyika Wattle Co Ltd	500,444	670,672	—
Tristan da Cunha Development Co Ltd (30.6.59)	106,253	40,301	13,588
Regional Companies	20,162	—	688,846
	£5,453,897	£1,489,196	£11,653,209

Subsidiary Companies–31.12.59

STATEMENT 8

Current Assets (including amounts owing by Corporation)	Current Liabilities	Loans and advances by Corporation	Total Net Tangible Assets	Minority Shareholders' Interests	Net Tangible Assets attributable to Corporation Investments
£	£	£	£	£	£
248,275	119,861	346,221	1,851,634	50,168	1,801,466
259	420	1,014	Cr 217	—	Cr 217
1,273	64,137	5,329	72,088	32,452	39,636
326,930	57,829	—	1,104,899	22,647	1,082,252
5,738	1,817	137,757	10,766	—	10,766
6,600	164	—	7,442	6,948	494
18,806	6,225	231,422	28,265	—	28,265
358,535	98,414	1,819,679	157,352	9,287	148,065
57,722	4,721,567	754,224	4,960,133	1,884,478	3,075,655
33,159	7,504	68,572	137,387	—	137,387
73,503	105,399	25,169	496,618	202,288	294,330
39,288	5,156	2,217	33,422	13,369	20,053
91,264	59,343	34,600	137,999	34,777	103,222
4,639	20,027	86,770	43,402	—	43,402
145,573	40,343	1,267,127	9,219	46,318	Cr 37,099
31,017	24,959	—	166,200	79,776	86,424
36,966	20	709,813	36,141	—	36,141
£1,479,547	£5,333,185	£5,489,914	£9,252,750	£2,382,508	£6,870,242

Combined Statement of Profits and Losses of Subsidiary Companies–year to 31.12.59

1958 Loss £	1958 Profit £		£	Net Trading Loss £	Net Trading Profit £
—	83,132	Borneo Abaca Ltd		—	238,113
—	—	Borneo Development Corporation Ltd		1,219	—
—	—	Borneo Housing Development Ltd		5,733	—
—	53,435	British Guiana Timbers Ltd		—	85,474
—	3,736	British Honduras Fruit Co Ltd		—	7,778
—	—	Industrial & Agricultural Co Ltd		3,052	—
187,790	—	Macalder-Nyanza Mines Ltd (see note 1)		—	61,091
—	422,787	Malaya Borneo Building Society Ltd		—	488,970
19,319	—	Mostyn Estates Ltd		684	—
8,195	—	Nigeria Housing Development Society Ltd		—	11,243
—	—	Northern Developments (Nigeria) Ltd		4,078	—
48,281	—	Omo Sawmills of Nigeria Ltd		—	11
—	434	Singapore Factory Development Ltd		—	3,089
—	—	Tanganyika Wattle Co Ltd		36,823	—
3,952	—	Tristan da Cunha Development Co Ltd (Year to 30.6.59)		—	18,009
—	68,736	Regional Companies		—	48,232
267,537	632,260			51,589	962,010
—	267,537			—	51,589
	364,723	Net Trading profits for the year			910,421
206,439		*Less* Overseas Income Tax			233,561
10,000		*provision against surplus assets*			—
—	216,439				
	148,284	Net profits after tax			676,860
		Less dividends paid or provided by subsidiary companies	£		
		payable to Corporation	254,873		
		Less Overseas Income Tax	100,374		
	122,691			154,499	
		payable to minority shareholders	110,160		
		Less Overseas Income Tax	44,064		
	55,188			66,096	
					220,595
	Dr £29,595	Profits less losses carried forward in accounts of subsidiary companies			£456,265
	Dr 49,532	Applicable to minority shareholders			56,454
	19,937	Applicable to Corporation investments			399,811
	Dr £29,595				£456,265

NOTES: (1) After crediting £67,536 in respect of adjustments relating to prior years.

(2) Total depreciation and amortisation charged by subsidiary companies for year to 31.12.59 was £557,927 *1958 £498,126.*

III

PROJECT REPORTS

REGIONS

CARIBBEAN

FAR EAST

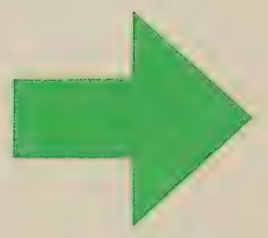
EAST AFRICA

CENTRAL AFRICA

HIGH COMMISSION TERRITORIES

WEST AFRICA

CARIBBEAN REGION



Includes:

BRITISH HONDURAS, BRITISH GUIANA,
ALL BRITISH WEST INDIES ISLANDS,
BAHAMAS AND FALKLAND ISLANDS

Regional Controller:

A. C. GRIEVE

Regional Office:

STRATHMORE, CULLODEN ROAD, ST. MICHAEL 16,
BRIDGETOWN, BARBADOS

CARIBBEAN REGION

Barbados
1 Barbados Light and Power Co Ltd

British Guiana
2 Blackbush Polder Rice Mill Investigation
3 British Guiana Rice Development Co Ltd
4 British Guiana Timbers Ltd

British Honduras
5 British Honduras Fruit Co Ltd (citrus and cocoa)
6 Fort George Hotel

Dominica
7 Dominica Electricity Services
8 Melville Hall Estate

Grenada
9 Grenada Electricity Services

Jamaica
10 Cayman Islands Airport
11 Caribbean Housing Finance Corporation Ltd
12 Jamaica Citrus Growers Ltd
13 Jamaica Cooling Store
14 Jamaica Housing Development Co Ltd
15 Jamaica Public Service Co Ltd

St Vincent
16 St Vincent Electricity Services

Trinidad
17 Federation Chemicals Ltd
18 Trinidad Cement Ltd

14 Regional Summary

(1) The eighteen projects cover agriculture, (bananas, citrus, cocoa, copra and rice), cold storage, cement, electricity supply, fertilisers, housing, timber, airport construction and an hotel. The total commitment is £13,887,000 of which £7,274,000 was invested at the year end.

(2) Six projects are directly managed by CDC under the supervision of the Regional Controller. Six are investments in companies of the Boards of which the Regional Controller is a member. There are three loans to Government or other agencies. The Regional Controller serves, by Government appointment, on the Barbados Development Board and on the Board of the British Guiana Credit Corporation.

(3) The region had a successful year. The new $20m fertiliser factory at Claxton Bay in Trinidad sponsored by W. R. Grace & Co of New York started production in October on schedule, the Mona Housing Scheme at Kingston in Jamaica was completed and all (700) houses sold, largely with financial help provided through the Standard Life/CDC mortgage company. The electricity supply undertakings achieved new records. With better weather the British Honduras and Dominican agricultural projects made satisfactory profits. The Trinidad cement factory again had a good year and in British Guiana the timber company's saw-mill had a record output and profit.

(4) A number of new schemes were investigated during the year. A second mortgage company, this time in partnership with Eagle Star Insurance Company, to finance house purchase at another larger (1,800 houses) site near Kingston, was approved as also association with Government in a new company to expand electricity supply services in Grenada. Plans are far advanced to expand the two agricultural estates in British Honduras and Dominica. Conditional arrangements were made for a loan of £3m to Jamaica Public Service Co Ltd to finance a considerable expansion of electricity supply in the company's area (para 29). A mission was sent at British Guiana Government request to draw up plans for a rice mill to process the paddy produced on the newly drained area at Blackbush on the Corentyne, but the final decision by Government on CDC recommendations is still awaited.

(5) Management and technical training of West Indians on the projects, at Regional Office and in London, has continued with good results. In 1960 a scholarship in economics is being offered at the University College of the West Indies and encouragement is to be given to about twenty-four schools throughout the Caribbean by the presentation of prizes.

An interior view of sawmill of British Guiana Timbers Ltd, Houston, Georgetown, British Guiana.

Barbados

15 The Barbados Light & Power Co Ltd

(1) CDC has lent £250,000 (1954) and £400,000 (1959) on secured debentures repayable 1961-80 and 1964-83, by annuities. The loans carry conversion rights over 25% of balance outstanding at any time.

(2) The company is the wholly owned Barbados subsidiary of the UK company Barbados Electricity Supply Corporation Ltd. Capital is WI$3,727,880 (£776,642) in 645,576 $5 ordinary shares; 100,000 5½% $5 preference shares held by Barbados public.

(3) The company supplies electricity to the island of Barbados. The loans were made to finance purchase of two 2·5 MW steam turbo-alternators and extensions to the transmission and distribution system. Plans for further expansion envisage expenditure of another £½m; CDC has said that it will consider providing a further £200,000.

(4) Sales increased by 15·4% to 26·89m kWh in the year ended 30.6.59. Consumers have risen from 14,015 to 16,597 — an increase of 18·4%.

(5) Profit for the year to 30.6.59 was £71,531 (1957/58 £51,924), before tax.

British Guiana

16 Blackbush Polder Rice Mill Investigation

(1) A CDC mission visited British Guiana early in 1959 at invitation of the British Guiana Government and after detailed investigation recommended that a rice mill should be built to mill the paddy grown on the first two sections of the Blackbush Polder which the Government are developing as a settlement scheme for smallholders.

(2) Estimated amount required for mill project is £443,000 which CDC has said it would finance and manage, the intention being that the mill should be acquired eventually by a smallholders' co-operative. The decision of British Guiana Government is still awaited.

17 British Guiana Rice Development Co Ltd

(1) (*a*) Secured loan 1953-57 BG$5,001,600 (£1,042,000) repayable 1958-62, and short term loan £250,000, both guaranteed by the British Guiana Government;
(*b*) issued share capital at 31.12.59 was BG$2m in 20,000 shares of BG$100 each fully paid; the British Guiana Government holds 18,380 shares and the British Guiana Rice Marketing Board 1,620 shares. It is understood the company wishes to reduce its share capital to BG$0·5m.

(2) Debenture loan was to improve and expand the company's rice milling facilities; short term loan is for seasonal crop requirements.

(3) At 31.8.59 the company had accumulated losses of BG$1,440,905; the company has been unable to obtain adequate paddy to provide an economic throughput for its mills; the company and Government have agreed to take all possible measures to remedy this situation; at the request of the company and Government CDC has agreed to deferment of repayment of debenture loan until 31.12.62.

18 British Guiana Timbers Ltd *General Manager:* G. BOWEN-JONES

(1) (*a*) Issued capital BG$7,248,000 (£1,510,000) of which CDC holds BG$7,123,200 (£1,484,000); balance held by Industrial Holdings (BG) Ltd (a subsidiary of Booker Bros, McConnell & Co Ltd);

(*b*) the company's loan account with CDC, £55,771 at 1.1.59, has been repaid in full during the year.

(2) (*a*) The company holds lease of 1,200 square miles of forest in which main merchantable species is greenheart, a timber of exceptional strength and durability, particularly suited to marine work;

(*b*) deliveries from the forest were 29,384 tons (1958 28,842 tons);

(*c*) installation of new processing equipment has enabled the company to undertake a wide variety of prefabrication; four types of prefabricated houses are being produced for sale locally and in the West Indies.

(3) (*a*) Sales were maintained despite reduced demand for hewn piling—

	1959		1958	
	tons	£	tons	£
Logs and piling	5,591	120,058	9,284	210,700
Lumber and joinery	15,325	522,939	13,562	447,628
	20,916	£642,997	22,846	£658,328

(*b*) markets by value were—

	1959	1958
UK and Continent	24%	37%
USA and Canada	14%	18%
West Indies	10%	8%
Local	52%	37%

(4) (*a*) The company continues to press forward with its training programme and six more local supervisors were appointed bringing the total to twelve. The works productivity council now has a second branch working at Wineperu, the company's forest camp;

(*b*) prospects are fair but, with increased competition from other timbers used for marine construction, the company cannot afford further substantial wage increases unless accompanied by greater productivity.

(5) Net profit for the year was £88,516 (1958 £62,719) before charging loan interest £3,042 (1958 £9,284) and tax—5·9% on capital employed.

British Honduras

19 British Honduras Fruit Co Ltd (citrus and cocoa) *Manager:* A. L. E. PUGH

(1) This wholly owned CDC subsidiary has spent £137,757 on development of citrus and cocoa estates.

(2) The company has 501 acres of citrus, 61 acres of cocoa and small experimental areas of coconuts and limes.

(3) Weather conditions were generally favourable and the estate had a good year.

(4) (*a*) The orange harvest amounted to 30,709 boxes (1958 9,521 boxes);

(*b*) a small cocoa crop from immature plantations qualified as top mark Trinidad and sold well on the US market.

(5) Profit for the year was £7,778 (1958 £3,736).

20 Fort George Hotel *Manager:* K. M. BAILEY

(1) A direct CDC project with capital at 31.12.59 £110,018 (after writing off £150,000 in 1953).

(2) The hotel was built in 1950-53 to provide facilities in Belize where none existed previously, to attract business men and other visitors, thereby assisting the colony's development.

(3) Discussions with potential private enterprise partners took place in 1959 without result.

(4) Hotel custom during the early part of the year was better than in 1958, but in the last quarter of 1959 trade slackened as a result of the departure of oil companies' prospecting teams and the closure of one large sawmill.

(5) Net profit for year was £1,857 (1958 £1,756).

(6) More widespread advertisement of the sporting facilities and economic opportunities of British Honduras would both promote the territory's development and bring advantage to the hotel.

Dominica

21 Dominica Electricity Services *Manager:* A. R. BOYD

(1) A direct CDC project which supplies electricity to the island of Dominica; capital at 31.12.59 £241,732.

(2) In 1959 a million-gallon balancing tank was constructed to make best use of available water. A 250 kW portable diesel set was installed to help carry peak loads.

(3) Installation of second penstock and third hydro set should be completed in 1960, bringing hydro-generating capacity to 960 kW. This is sufficient for immediate needs but the possibility of increasing hydro-electric capacity further will be investigated.

(4) Sales of electricity in 1959 were 2,134,738 kWh (1958 1,924,753 kWh) an increase of 9·9%; consumers rose by 9·5% to 2,478.

(5) Trading profit before interest was £7,093 (1958 £14,101 which included revenue from former years).

22 Melville Hall Estate *Manager:* J. HUTTON, MBE

(1) This CDC estate had capital employed at 31.12.59 of £60,252.

(2) (*a*) The estate has 300 acres of bananas, 234 acres of coconuts, 65 acres of cocoa and small plots of coffee and citrus;

(*b*) 82 acres of bananas were replanted during the year.

(3) (*a*) Banana crop of 1,533 tons was a great improvement on 1958 (846 tons) due to favourable conditions and recovery from storm damage;

(*b*) copra sales were 88 tons (1958 66·64 tons);

(*c*) a small cocoa crop from immature plantations was sold in the UK with encouraging results.

(4) The government road to the outlying estate of Castle Bruce is nearing completion; plans have been prepared for developing this estate under Melville Hall management and it is hoped to start in 1960.

(5) Prospects are fair although banana prices are currently low and the present Price Support Scheme will cease to operate next year.

(6) Trading profit was £5,359 (1958 loss £9,828).

(7) Mr J. Hutton MBE, manager since 1953, retires in 1960; CDC thanks him for his hard work and loyal service.

Grenada

23 Grenada Electricity Services

(1) Arising from negotiations during 1959, it has been agreed by Grenada Government and CDC to form a company to take over and expand the government-owned electricity services.

(2) (*a*) Issued capital will be £316,000 of which CDC will own £200,000 and the Grenada Government £116,000;

(*b*) CDC has also undertaken to lend up to £244,000.

(3) A new 600 kW diesel generating set has recently been installed; proposed expansion programme includes installation of further generating equipment, and extension of distribution system to outlying townships; hydro-electric possibilities will be examined.

(4) With expected increase in consumption prospects are good.

Jamaica

24 Caribbean Housing Finance Corporation Ltd

(1) Eagle Star Insurance Co Ltd (through Sceptre Trust Ltd) and CDC have undertaken to incorporate a joint company in Jamaica and lend it up to £1m and up to £2m respectively.

(2) The company will lend on mortgage to purchasers of houses which are to be built on the Harbour View estate on the outskirts of Kingston.

(3) Mortgages of up to 90% of valuation will be granted, with an option to the mortgagor to repay over 20 years or to take out a 20-year endowment assurance. A mortgage insurance scheme is to be set up by a development finance corporation being sponsored by Jamaica Government.

(4) (*a*) Two- and three-bedroom houses will be built by West Indies Housing Co Ltd, formed by local interests; pre-cast reinforced concrete blocks and panels produced on the site will be used; prices £1,975 and £2,285;

(*b*) the programme is for 1,700 to 2,000 units spread over 2½ years on 400 acres of freehold land;

(*c*) about 5,000 applications have been received by sponsors.

25 Cayman Islands Corporation (airport)

(1) Loan £55,500 (1953) for construction of airport; secured on the Island's revenue and guaranteed by Government.

(2) Tourist trade continues to increase.

(3) Repayable by 20 annual instalments; now outstanding £38,850.

Housing scheme of Jamaica Housing Development Co Ltd, Mona, Kingston, Jamaica.

26 Jamaica Citrus Growers Ltd

(1) During 1959 CDC lent a further £57,000 in addition to outstanding balance of 1951 loan (£39,000 at 1.1.59) to finance extension of company's fruit processing factory and to finance processing of grapefruit segments and citrus juices (through a subsidiary); both loans are secured on the company's assets and guaranteed by parent body, Citrus Growers Association Limited.

(2) 1951 loan repayable by instalments 1952-61; outstanding at 31.12.59 £28,000; 1959 loan repayable by four instalments 1960-63.

27 Jamaica Cooling Store *Manager:* G. M. MUNRO

(1) A CDC direct project with capital at 31.12.59 £125,935.

(2) The cooling store built in 1950/51 to provide storage accommodation for citrus exports, has 70,000 cu ft cooling space and 14,000 cu ft cold storage space. In addition, 20,000 cu ft cold storage space is rented from Jamaica Cold Storage Ltd.

(3) The project had a better year despite smaller citrus crop and consequent reduction in fresh citrus throughput. Demand for storage space continues to grow with increasing tourist trade and rising standard of living in Jamaica.

(4) Net profit for year £11,166 (1958 £7,785).

28 Jamaica Housing Development Co Ltd

(1) Capital £1,000 owned equally by The Standard Life Assurance Co, of Edinburgh and CDC, the partners each undertaking to provide loan capital up to £750,000.

(2) The company was formed to provide mortgage finance for new houses on the Mona Housing Estate, near Kingston. The Standard Life Assurance Co provide management.

(3) 440 three-bedroom bungalows were built in 1959 by West Indies Building Ltd by poured concrete process, completing the total programme of 717 houses; price £2,900 each.

(4) Mortgage loans (with life assurance collateral) have been granted to house purchasers up to 85% of cost price, any excess over 60% being guaranteed by the Jamaica Government.

(5) Demand far exceeded the supply. Many houses sold for cash and only £889,350 of mortgage advances were made; so the mortgage company only required to call up £439,750 of CDC loan commitment.

29 Jamaica Public Service Co Ltd

(1) (*a*) Loan £300,000 (1953) repayable 1963; principal and interest secured on assets of the company;

(*b*) public company incorporated in Jamaica; issued capital £3,466,441; long term secured debt £3,945,461.

(2) The company supplies electricity to twelve of Jamaica's fourteen parishes including Kingston and St Andrew.

(3) Demand for current continues to expand:

(*a*) power generated in 1959 245 million kWh, nearly 18% increase over previous year (208 million kWh);

(*b*) sales increase from 173·5 million kWh in 1958 to 208 million kWh;

(*c*) number of consumers increased during year from 46,900 to 51,573;

(*d*) operating revenue £2·1m (1958 £1·8m).

(4) Towards the end of the year CDC agreed conditionally to lend a further £3m towards the cost of the company's programme of conversion of frequency from 40 to 50 cycles, increase in generating capacity and expansion of transmission and distribution systems; CDC would have an option to subscribe for 25,000 units at Canadian $30 per unit of the stock of the company's Canadian parent company, Jamaica Public Service Ltd, such option to be exercised between 1.1.63 and 31.12.64.

St. Vincent

30 St Vincent Electricity Services *Manager:* N. V. ANDALCIO

(1) A direct CDC project with capital at 31.12.59 £234,635 supplying electricity to the island of St Vincent from a hydro-electric station on the Colonarie River.

(2) Demand is increasing steadily and despite installation of a 310 kW diesel set in 1958, plant is fully stretched during peak load periods and some load shedding has been necessary at times. A 250 kW portable diesel set is to be installed in 1960; a hydro-electric scheme on the Richmond River is being prepared by consulting engineers.

(3) Sales during 1959 totalled 2,946,955 kWh (2,324,800 kWh in 1958) an increase of 26·7%. The number of consumers has risen by 11·9% to 3,660.

(4) Trading profit before interest was £15,546 (1958 £17,301); lower profit despite increased turnover was mainly due to higher cost of diesel generation. Under the terms of the franchise agreement annual reduction of 1 cent per unit in lighting rate began in 1957 and continues until 1960. The effect on profitability was more noticeable in 1959 than in past years when all power was hydro-generated.

Trinidad

31 Federation Chemicals Ltd

(1) CDC has lent £1m to this Bermuda-registered company which was formed by the W. R. Grace & Co Group (New York) in 1958. CDC has a 7½% interest in the £178,571 capital of the company which has also raised US$8,200,000 from American financial institutions on similar terms to the CDC loan.

(2) The company was formed to erect and operate in Trinidad a fertiliser factory making ammonium sulphate and urea. During the last quarter of 1959 the sulphuric acid and anhydrous ammonia plants were completed, tested and brought into operation. The ammonium sulphate plant came into production towards the end of 1959 and the urea plant in January 1960.

(3) Cost of construction of the whole project should be within estimate. The company employs 287 persons and will make a substantial contribution to economic development in Trinidad.

32 Trinidad Cement Ltd

(1) Issued capital WI$7,680,000; 652,800 $5 ordinary shares ($3,264,000) owned by The Rugby Portland Cement Co Ltd and 883,200 $5 5% cumulative redeemable preference shares ($4,416,000) held by CDC.

(2) A satisfactory year for production and sales. The company's plans for further plant expansion await the Trinidad Government's decision on the grant of pioneer status.

(3) Under terms of issue 55,200 preference shares were redeemed during the year.

(4) CDC received £48,638 preference dividend.

FAR EASTERN REGION

Includes:

SINGAPORE, NORTH BORNEO, BRUNEI,
SARAWAK, HONG KONG, FIJI, AND
THE WESTERN PACIFIC ISLANDS

Regional Controller:

D. E. M. FIENNES

Regional Office:

13/15 AMPANG STREET, KUALA LUMPUR,
SELANGOR,
FEDERATION OF MALAYA

FAR EAST REGION

Borneo Territories

1 Borneo Abaca Ltd
2 Borneo Development Corporation Ltd
3 Borneo Housing Development Ltd
4 Mostyn Estates Ltd

Federation of Malaya

5 Central Electricity Board
6 Federal Land Development Authority
7 Johore Palm Processing Ltd
8 Kulai Oil Palm Estate Ltd
9 Malaya Borneo Building Society Ltd (also operates in Singapore)
10 Malayan Cocoa Ltd
11 Malayan Industrial Development Finance Co Ltd
12 United Cocoa Development Co Ltd

Fiji

13 Fiji Investigations

Singapore

14 Singapore Factory Development Ltd

33 Regional Summary

(1) There are fourteen projects comprising agriculture, factory and housing development, electricity supply and general development companies. Total commitment is £18,717,000 of which £14,937,000 was invested at the year end.

(2) Eight projects are managed by CDC under the supervision of the Regional Controller. Four are investments in companies of the Boards of which the Regional Controller is a member. There are two loans to government agencies. By Government invitation the Regional Controller serves on the Central Electricity Board and on the Board of Federal Land Development Authority in Malaya; in North Borneo he is chairman of Borneo Airways Ltd and a member of the North Borneo Electricity Board; he is also on the Board of the Sarawak Development Finance Corporation.

(3) The region had a good year so far as existing projects were concerned. Good crops and good prices meant record profits for Borneo Abaca Ltd (rubber and hemp) and Kulai (palm oil); disappointing growth on the two cocoa estates with which CDC is associated in Trengganu (Malaya) was offset by most encouraging progress on the Tiger estate (Borneo Abaca Ltd). The Malaya Borneo Building Society had another highly successful year although operations were damped down owing to shortage of finance, and the Central Electricity Board (Malaya) to which CDC has lent £7m was well ahead with construction of the new Cameron Highlands Scheme.

(4) There are no new projects to report because the ban on new CDC operations in Malaya became finally effective when the Federation achieved independence on August 31st, 1957. Since then CDC energies on the investigation side there have been redirected to establishing as operational concerns the Malayan Industrial Development Finance Ltd, in association with Federal Government and financial houses, and CDC's own local subsidiary Malaya Developments Ltd, which has looked after MIDFL formation and may provide a vehicle for maintaining CDC's position as a positive force in the Federation's economic development. Outside Malaya, increased attention has been paid to the smaller territories and visits to Hong Kong and Fiji in particular promise new projects in 1960.

(5) **State of Singapore**

(*a*) A controversial and realistic Government facing giant-size problems of population increase; CDC is happy to do business here, and has found it possible to do so through re-activation of Singapore Factory Development Ltd's Redhill factory scheme which has been in abeyance during period of change of Government;

(*b*) the sponsor of Malayan Flour Mills Ltd (reported as in formation last year) has decided to erect a mill at Port Swettenham in the Federation instead of in Singapore, thus removing outside the scope of direct help from CDC.

(6) **Borneo territories**

There was an increasing pace of economic advance to which CDC is notably contributing through Borneo Abaca Ltd and Mostyn Estates Ltd. Borneo Housing Development Ltd which took over the Borneo business of Malaya Borneo Building Society in the territories is now going ahead, and Borneo Development Corporation has got off the mark with a factory estate scheme at Kuching. It remains to devise a scheme by which CDC can help smallholder development on the lines so successfully pioneered by the Federal Land Development Authority in Malaya.

(7) **Pacific territories**

(*a*) A CDC representative again visited Fiji to investigate a sawmilling project and other schemes. At Government's invitation it has been decided to post a permanent representative to Fiji who will be associated with Government's Housing Authority pending the promotion of other projects on the basis of the recent report of Sir Alan Burns' commission;

(*b*) the CDC representative also visited the Solomon Islands and development possibilities there are being investigated.

(8) **Hong Kong**

First investments, in flatted factories and a hotel, are under negotiation; but Hong Kong's main need is for markets rather than for capital.

(9) **General**

Senior management posts have increasingly been filled by men from the territories who have been trained within the CDC organisation. Management trainees receive a course in London; ten local cadets are under training in Malaya and Borneo for management positions in the plantation industry; pending the award of a CDC Borneo scholarship in agriculture at a Commonwealth University, agricultural training courses in North Borneo have been offered to two students from Fiji.

Young cocoa seedlings in the nursery of Borneo Abaca Ltd, North Borneo.

Shell photograph

34 Borneo Abaca Ltd *General Manager:* J. L. BOYD-WILSON

(1) (*a*) Issued capital M$17,142,900 (£2m); M$16,714,300 (£1,950,000) held by CDC and M$428,600 (£50,000) by Harrisons & Crosfield Ltd;

(*b*) CDC loan account reduced by £262,175 to £346,221 at 31.12.59 (1958 £608,396); at the same time development and replanting expenditure of £300,000 has been financed out of the project's own cash resources;

(*c*) the company's main crops are abaca (manila hemp), rubber and cocoa.

(2) **Abaca**

(*a*) Acres under cultivation 31.12.59—

	Mature	*Immature*	*Total* 31.12.59	31.12.58
Table Estate	2,052	705	2,757	2,516
Balung Estate	705	70	775	775

New planting of 291 acres at Table was completed; 50 acres of area planted 1950/51 have been thinned for an Amelonado cocoa trial;

(*b*) crops were—

	1959 *tons*	1958 *tons*	1957 *tons*
Table Estate	2,369	1,725	1,902
Balung Estate	271	316	461
	2,640	2,041	2,363

(*c*) crop increase due to larger acreage of mature abaca;

(*d*) sporadic incidence of bunchy top disease has increased markedly on Table Estate despite rigid control on the project and aerial surveys to locate possible infective sources amongst wild jungle bananas along the estate boundary with continued help from Government; but no substantial eradications have been found necessary;

(*e*) sales £432,025 (1958 £309,829); prices continued very satisfactory throughout the year;

(*f*) trading profit £115,100 (1958 £15,507) after charging amortisation of plantation £27,569; this substantial increase, highest annual profit to date, largely attributable to exceptional prices; to a less extent to increased crop and reduced production costs.

(3) **Rubber**

(*a*) Improved cultivation and maintenance in conjunction with more intensive tapping have produced another record crop of 6,004,122 lb (1958 5,943,947 lb) despite a further reduction of 649 acres old rubber cleared for replanting;

(*b*) planted area at 31.12.59 was 13,515 acres (1958 13,363), of which 10,194 acres were mature and 3,321 acres, planted since 1954, immature; in addition 435 acres were in process of being cleared for planting in 1960;

(*c*) sales £619,488 (1958 £548,882); average fob price 25·36d per lb (1958 20·70d);

(*d*) trading profit £217,124 (1958 £113,084) after charging £37,110 for rubber amortisation; selling prices which started on a reasonable note at the beginning of the year attained a peak of 37·80d in November and continued high for rest of the year.

(4) **Cocoa**

(*a*) 700 acres of Amelonado cocoa have now been successfully established; in addition an experimental plot of 20 acres Trinitario cocoa is under preparation;

(*b*) the rapid rate of growth reported last year has been maintained; 1955/56 planting now in its fourth year is already producing at the rate of nearly 200 lb per acre per year;

(*c*) 1960 programme is 180 acres, bringing total planted area to 880 acres out of 1,000 acres planned;

(*d*) visiting consultants have reported most favourably on the progress of this crop and it is gratifying that the Department of Agriculture in North Borneo has established a cocoa development centre at neighbouring Quoin Hill.

(5) **Profit and loss account**

(*a*) Total sales at £1,051,513 (1958 £858,711) have exceeded £1,000,000 for the first time;

(*b*) net profit £270,563 (1958 £83,132) before providing £32,450 interest on CDC loan; the last four years' profits have almost wiped out the company's accumulated loss which reached £588,000 in 1955.

(6) **General**

(*a*) Much attention is now being paid to broadening social life and increasing educational facilities for all employed on the estates; one new village was completed and five substantially extended during the year; an education and training officer has been appointed; cadet training programmes for all branches of estate life have been introduced; the company provided education, medical and social services at direct cost of £35,544 in addition to capital expenditure on housing and amenities £50,870;

(*b*) average labour force 3,617, wages paid £416,140; labour, always a problem on the east coast because of its shifting nature and complex composition, is slowly becoming more stabilised; the company is gradually achieving its object of attracting and settling a permanent, healthy and productive community who will be partners in this enterprise and thereby in the development of North Borneo.

35 Borneo Development Corporation Ltd *Manager:* SHIM KAH FOO

(1) (*a*) CDC wholly owned subsidiary incorporated in Sarawak in 1958;

(*b*) issued share capital at 31.12.59 was M$24,100 (£2,812).

(2) Object of the company is to stimulate and carry out much needed small scale development in the British Borneo territories (North Borneo, Sarawak, Brunei), preferably in association with local government and commercial interests.

(3) Plans are ready and funds have been earmarked (£50,000) for a small factory estate in Kuching. Completion of access road by the local Government is awaited before starting work on seven factories. Mortgage advances of 80% of cost of land and buildings will be shared by the company (75%) and Sarawak Government's Development Finance Corporation (25%).

(4) The company which shares management and offices with Borneo Housing Development Ltd (para 36) has no revenue as yet; loss for the year £1,219.

36 Borneo Housing Development Ltd *Manager:* SHIM KAH FOO

(1) (*a*) Paid up capital is M$675,003 (£78,750); CDC holds M$375,003 (£43,750); balance is held by the Governments of Sarawak and North Borneo;

(*b*) loans and deposits totalled M$542,000 at 31.12.59; and CDC had advanced M$45,680 (£5,329) on current account;

(*c*) CDC has agreed to invest M$2m (£233,333), part equity part loan.

(2) This new company took over the Malayan Borneo Building Society's mortgages in Borneo territories at 1.1.59 (M$297,137) and will do mortgage business in the three Borneo territories (North Borneo, Sarawak and Brunei) although to date its operations have been confined to the first two.

(3) Mortgage asset and advance commitments by territories at 31.12.59—

	Asset	*Commitments*
	M$	M$
North Borneo	521,000	212,000
Sarawak	641,000	140,000
	1,162,000	352,000

(4) Loss for first year of operation was M$49,128 (£5,733) to which heavy cost of initial establishment of staff and of travel to supervise widespread securities contributed. Management and offices are shared with Borneo Development Corporation Ltd (para 35).

(5) Directors include the managing director of Malaya Borneo Building Society and representatives of the two participating Governments and of local commercial interests.

37 Mostyn Estates Ltd *Manager:* N. KINGSLEY-PALLANT

(1) (*a*) Authorised capital M$20,750,000 (£2,420,833); issued M$1,608,590 (£187,669)—Borneo Abaca Ltd M$1,328,570, CDC M$280,020; thus a CDC subsidiary through Borneo Abaca Ltd;

(*b*) CDC had also advanced £68,572 on current account at 31.12.59.

(2) (*a*) The oil palm development programme has been accelerated following successful establishment of 200 acres of young oil palms in 1959 and exceptional growth of earlier trial planting and of nurseries; two oil palm experts have visited the estate and reported very favourably on establishment techniques and growth;

(*b*) 1960 planting programme is now 1,200 acres;

(*c*) overall programme is to plant 3,400 acres by the end of 1962; to secure planting by smallholders (15-100 acres each) of 2,000 acres oil palms on land to be leased from the Government; to provide processing factory and sales organisation.

(3) (*a*) Abaca will be continued as a subsidiary crop so long as it contributes to company overheads; there were 659 acres under cultivation at end of year of which 559 acres were mature and 100 immature;

(*b*) 1959 crop was 211 tons (1958 169); the incidence of bunchy top disease was again substantially reduced.

(*c*) loss £684 (1958 loss £19,319); improvement in operating results owed much to high abaca prices.

38 Central Electricity Board

(1) Loan of £7,077,950 made 1950-55, for construction of Connaught Bridge 80,000 kW steam station.

(2) The Central Electricity Board operates some 40 diesel and other stations in addition to its central network covering Selangor, Negri Sembilan and Malacca; it is an efficient and progressive organisation, employing over 4,800 workers. Total assets at 31.12.59 were over £19m.

(3) (*a*) There was a further expansion of sales to consumers other than the mining industry, whose consumption was affected by the tin restriction scheme, units sold, in million kWh were—

	Years ended 31 August		
	1959	1958	1957
Industry and commerce	220	194	164
Domestic	106	97	84
	326	291	248
Mining	122	167	149
	448	458	397

(*b*) there are now 165,300 consumers; total revenue increased by 2·4% over 1958.

(4) The first half (20,000 kW) of the new Malacca steam station opened in 1959.

(5) With the loans raised for the purpose in 1958 from the Federal Government, the International Bank for Reconstruction and Development, and the Commonwealth Development Finance Co Ltd, work started in 1959 on the £17m Cameron Highlands scheme.

(6) To help the raising of finance for the Cameron Highlands scheme, CDC in 1958 re-negotiated its loans, giving the Central Electricity Board an option to convert existing loans due for repayment 1960-63 into a new loan repayable over 25 years; this option was exercised in January 1960.

39 Federal Land Development Authority

(1) (*a*) In 1956 CDC undertook to lend £600,000 to the Federal Land Development Authority; the loan is guaranteed by the Federal Government and is contingent on the Government advancing M$10 million to the Authority;

(*b*) the Federal Government has so far advanced M$6 million; no drawings yet from CDC.

(2) The Federal Land Development Authority is a statutory body set up in 1956 to promote and carry out agricultural development and land settlement schemes in association with State Governments.

(3) Eleven schemes totalling 39,100 acres for 3,882 families have been started; additional schemes covering 12,000 acres have been approved and other schemes totalling 55,000 acres are under investigation.

(4) (*a*) The Authority is thoroughly established with competent and trained staff who are entirely Malayan, both in office and field; it is now responsible to the new Ministry of Rural Development directly under the Prime Minister and Deputy Prime Minister;

(*b*) the Government proposes, with the Authority as one of its main instruments, to give rural development top priority in the five-year development plan just starting, and to apply to it 'methods of planning and execution comparable to those which have been successfully developed to handle emergency operations'.

40 Johore Palm Processing Ltd *Manager:* J. L. W. BAXTER

(1) Capital at 31.12.59 £259,760 wholly owned by CDC through Kulai Oil Palm Estate (para 41).

(2) The company processes fruit from Kulai Oil Palm Estate.

(3) Encouraged by facilities offered by CDC, others now intend to plant oil palms in nearby areas; the first stage of a 4,000-acre smallholder scheme has been put in hand (para 41) and the company has agreed to process fruit from a neighbouring rubber estate whose owners are to replant up to 1,000 acres with oil palms.

(4) The company acts as processing and selling agent for producers; all proceeds after operating costs and service of capital paid to growers; ultimate objective is for all growers, including Kulai Oil Palm Estate and smallholders, to own shares in proportion to planted acreage in a co-operative enterprise.

41 Kulai Oil Palm Estate *Manager:* J. L. W. BAXTER
Managing Agents: GUTHRIE & CO LTD

(1) Capital of this CDC estate at 31.12.59 £1,055,677; it is planned to transfer the assets to a private company as the first stage in facilitating local participation in this project.

(2) (*a*) Planted area 4,858 acres; 1,323 acres pre-war palms, 3,535 acres planted since 1950; planting of 270 acres planned for 1960 will complete new planting programme; replanting of pre-war area is planned for 1961-63;

(*b*) a nursery is now being prepared on the estate for first 1,000 acres of Johore State Land Development Board's 4,000-acre smallholder scheme (financed by FLDA para 39).

(3) Production increased with increasing maturity of new plantings; 2,781 tons oil (1958 2,087), 656 tons kernels (1958 504·5).

(4) Increased profit £77,655 (1958 £41,232) due to larger crop and improved average oil sales price of £78·1 per ton (1958 £71·8).

(5) A satisfactory and well managed project.

Palm oil factory of Johore Palm Processing Ltd at Kulai Oil Palm Estate, Federation of Malaya.

42 Malaya Borneo Building Society Ltd *Managing Director:* J. BURGESS, CBE
General Manager: W. WOOD

(1) (*a*) Issued share capital and borrowings at 31.12.59 were in M$1 million (M$1=2s 4d)—

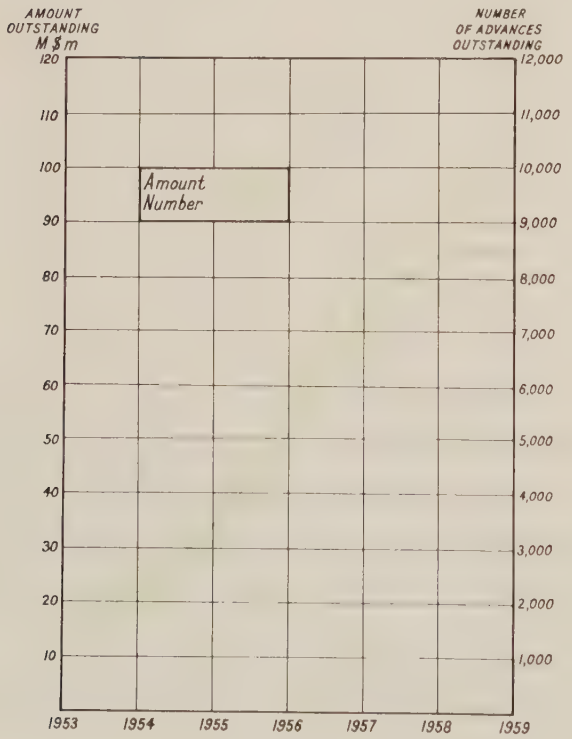
	Ordinary shares	*Preference shares*	*Long-term loans*	*Deposits*	*Total*
CDC	15·0	9·1	5·5	—	29·6
Federal Government	9·7	5·0	—	—	14·7
Hong Kong & Shanghai Banking Corporation	—	—	20·7	—	20·7
Housing Trust	—	—	3·5	1·0	4·5
Others	—	—	—	12·3	12·3
Total, M$ million	24·7	14·1	29·7	13·3	81·8

(*b*) deposits at 31.12.59 included M$3·8m from insurance companies, M$1m from banks, M$1m from co-operative societies, M$2m from the Government of Perak.

(2) (*a*) 1,065 applications involving M$7,865,173 were approved in 1959 (1,354 and M$12,302,872 in 1958);

(*b*) reduced rate of expansion was due to shortage of finance, not to lack of demand;

(*c*) growth of mortgage asset in last six years is shown by the following chart.



(*d*) mortgage asset and advance commitments by territories in M$1 million—

	31.12.59		31.12.58	
	Asset	*Commitments*	*Asset*	*Commitments*
Federation of Malaya	46·9	2·7	45·6	4·3
Singapore	39·3	1·8	39·2	6·6
Borneo territories	—	—	0·3	0·4
	86·2	4·5	85·1	11·3

(3) Trustee status for loans to and deposits with the Society was approved in principle by the Federal Government in 1959. Legislative enactment should make new sources of finance available to the Society.

(4) The Society continues to provide advisory and management services to public, private and trustee bodies in connection with their housing loan schemes.

(5) (*a*) The Prime Minister of the Federation honoured the Society by his formal opening on 14.12.59 of its new head office in Kuala Lumpur;

(*b*) to CDC's regret Mr W. H. Lydall, Singapore manager of Hongkong and Shanghai Banking Corporation, resigned from the Society's chairmanship on leaving Singapore; he was succeeded by Mr D. E. M. Fiennes, CDC's Regional Controller;

(*c*) Mr J. Burgess, CBE, managing director, who intends to retire in April 1960, will be succeeded as chief executive by the general manager, Mr W. Wood. Mr Burgess has earned CDC's gratitude for his outstanding accomplishment in building up the Society; his advice will continue to be available as consultant.

(6) Accounts again show continued growth of profits, conservative distribution and increased reserves—

	Net profit after tax	*Dividends*		*Reserves (cumulative)*
		Rate (ord)	*Amount (less tax)*	
	M$000's	%	M$000's	M$000's
1950	(loss 17)	—	—	—17
1951	99	—	—	82
1952	324	3	163	243
1953	456	4	230	470
1954	577	5	315	732
1955	681	5	418	994
1956	991	6	793	1,192
1957	1,324	6	958*	1,839
1958	2,168	6½	1,310*	2,695
1959	2,504	6½	1,553*	3,646

*Including preference dividends

(7) The Society's place in the Malayan economy is shown by the number of people helped to become house owners; 13,071 by 31.12.59. Its mortgage asset at 31.12.59 exceeded £10 million.

43 Malayan Cocoa Ltd

(1) (*a*) Authorised capital M$2m (£233,333); issued M$1·2m—held as to one third each by Cadbury Bros Ltd and CDC; remainder held by various plantation companies mostly connected with Harrisons & Crosfield Ltd;

(*b*) the estate is at Jerangau in Trengganu State; 506 acres planted.

(2) Manager, C. C. Brooker; secretaries and agents, Harrisons & Crosfield (Federation of Malaya) Ltd.

(3) (*a*) It was reported last year that growth and crop of Amelonado had been retarded by serious 'dieback' of unknown cause; the company's consultant, Mr O. J. Voelcker, visited in November 1958 and in December 1959; neither laboratory examination of specimens nor field trials have disclosed any definite pathological cause, nor is there any promise of a cure;

(*b*) Upper Amazon varieties are reported to show some prospect of greater tolerance to dieback conditions; future policies will depend on their sustaining this tolerance and producing economic yields.

44 Malayan Industrial Development Finance Ltd (company in formation)

(1) (*a*) The Federal Government, CDC, British and other banks and insurance companies operating in Malaya, following protracted negotiations, have finalised arrangements for formation of a company early in 1960;

(*b*) authorised share capital will be M$15 million (£1¾ million) ordinary shares, of which CDC has agreed to subscribe, through Malaya Developments Ltd, M$2½ million (£291,666).

(2) The object is to provide medium and long term finance for industrial enterprises in the private sector in the Federation.

(3) The directors-designate nominated by the principal shareholders have appointed CDC's wholly owned subsidiary, Malaya Developments Ltd, to undertake formation work and to act as consultants.

(4) CDC hopes the company will make a vigorous start in 1960.

(5) CDC will be represented on Board.

45 United Cocoa Development Co Ltd

(1) Issued share capital 16,000 £10 shares (£9 paid); principal shareholders are Cadbury Bros Ltd, Harrisons & Crosfield Ltd, CDC and Van Houten & Zoon NV; others are Continental and UK chocolate manufacturers; CDC investment £19,071 (2,119 shares).

(2) Manager, C. C. Brooker; secretaries, Harrisons & Crosfield Ltd.

(3) The company had 568 acres planted on Landas estate, four miles from Malayan Cocoa's Jerangau estate (para 43).

(4) Dieback conditions reported for Malayan Cocoa apply here also. In 1959 prospects for Amelonado and Upper Amazon have been examined by the company's consultant Mr O. J. Voelcker, together with the Department of Agriculture and other experts; future policies are now being reviewed in the light of their findings and recommendations.

Fiji

46 Fiji Investigations

(1) Investigations started in 1958 were continued in 1959.

(2) Sawmilling investment looked hopeful until prospective partners withdrew after unsatisfactory peeling tests on local timbers destined for overseas markets; alternative proposals are being considered.

(3) CDC has been invited to participate in hotel development by the Cathay group of Singapore with whom CDC is glad to be associated; Cathay Hotels (Fiji) Ltd has been formed primarily to take over and expand Grand Pacific Hotel, Suva.

(4) CDC hopes results of the Burns Commission will give further development opportunities in Fiji, and plans to station a representative in Fiji shortly.

State of Singapore

47 Singapore Factory Development Ltd

Managers: MALAYA DEVELOPMENTS LTD (CDC wholly-owned subsidiary)

(1) (*a*) Share capital M$474,770 (£55,390) all held by CDC;

(*b*) at 31.12.59 advances from CDC stood at £123,621, and from Singapore Improvement Trust at £19,712.

(2) (*a*) The company finances industrial development on three sites in Singapore; one at Bukit Timah for large industries and two in Alexandra Road industrial area for light industry; in all, these industries gave employment to about 1,000 persons at 31.12.59;

(*b*) proposed development of a fourth site for light industry at Redhill should soon begin; the Government providing land; CDC developing the site and providing mortgage finance where needed, secured on land and factories.

(3) (*a*) Progress generally was slow in 1959; there were no sales of Bukit Timah land during the year and only one new loan was granted; there are signs that renewed activity can be expected in 1960.

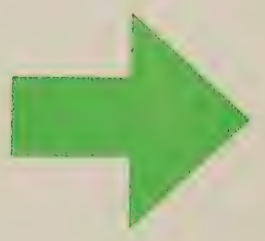
(4) Mortgages outstanding at 31.12.59 totalled £170,524 (£195,294 at 31.12.58).

(5) Net profit for year £9,970 (1958 £16,242).

New Stanley Hotel, Nairobi, Kenya

Photo by B. G. Ravine

EAST AFRICA REGION



Includes:

ADEN, KENYA, UGANDA,
TANGANYIKA, SEYCHELLES,
MAURITIUS, ZANZIBAR

Regional Controller:

A. A. LAWRIE, FSAA

Regional Office:

BOMBAY HOUSE, VICTORIA STREET,
NAIROBI, KENYA

EAST AFRICA REGION

Kenya

1 Block Hotels Ltd
2 East Africa Industries Ltd
3 Kenya Housing Authority
4 Kenya Meat Commission
5 Kenya Power Co Ltd
6 Macalder-Nyanza Mines Ltd
7 Nyambeni Tea Co Ltd
8 Oceanic Hotel Ltd
9 Unga Ltd

Tanganyika

10 Bird & Co (Africa) Ltd
11 Liganga Iron Ltd
12 Maramba Estate Ltd
13 Mbeya Exploration Co Ltd
14 Rungwe Coal Co Ltd
15 Tanganyika Coalfields Ltd
16 Tanganyika Wattle Co Ltd
17 Tangold Mining Co Ltd

Uganda

18 Kilembe Mines Ltd

(1) Two new projects were approved, bringing the total to eighteen with capital commitment of £16,113,000 of which £15,667,000 had been invested at 31.12.59.

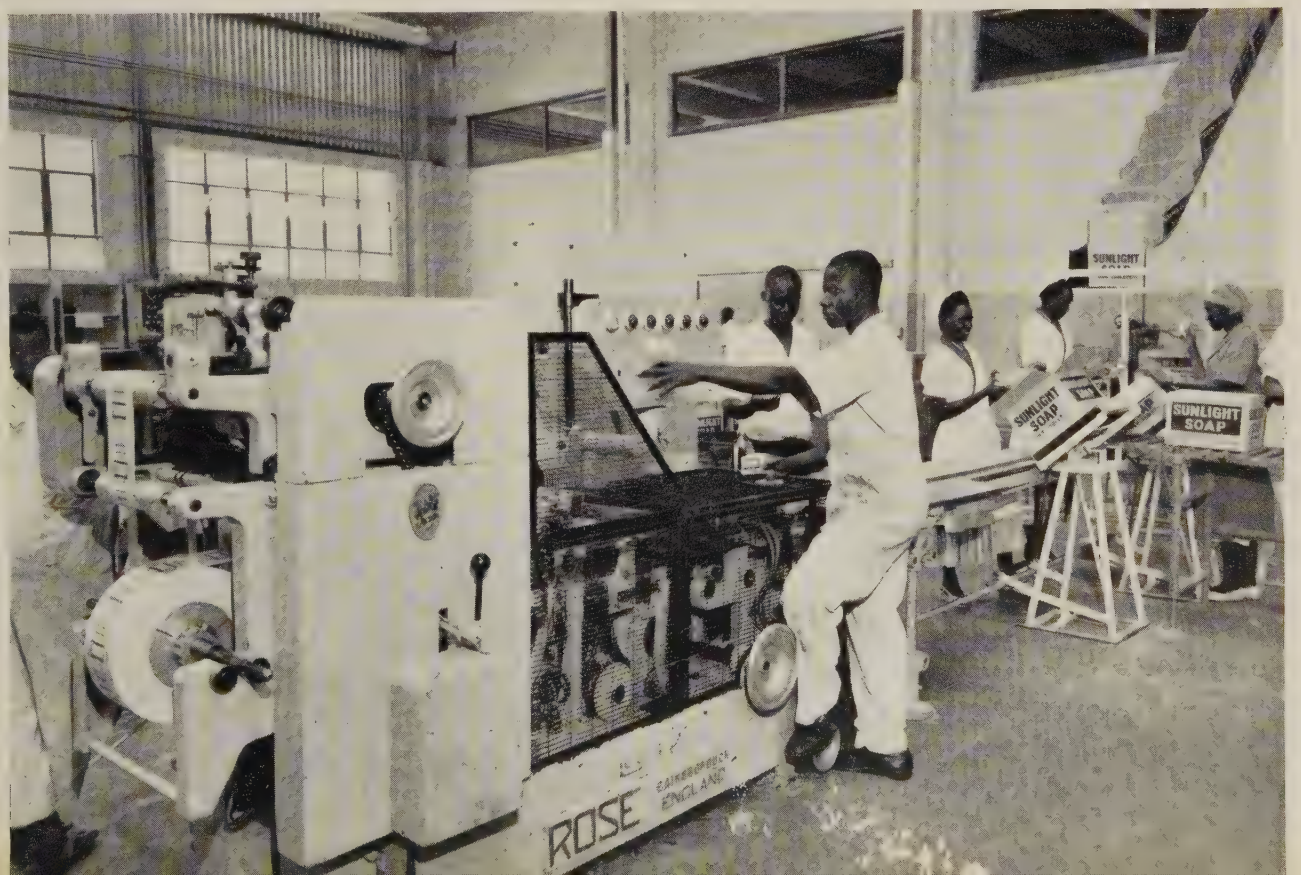
(2) CDC managed five projects under the supervision of the Regional Controller. There were eleven investments in companies of the Boards of which the Regional Controller is a member, and two loans to government agencies. The Regional Controller has been appointed by territorial governments to Boards of the Uganda Development Corporation and the Kenya Meat Commission, and was lent by CDC to serve on the MacGillivray Committee which, since September 1959, has been enquiring into the organisation of agriculture in Kenya.

(3) Two new projects comprised participation with a Dutch group, Holland Tanganyika Compagnie NV, in Maramba Estate Ltd to expand their cocoa estate in Tanganyika, and association with a UK plantation company, Eastern Produce (Holdings) Ltd, to start a tea estate and factory to serve as a nucleus for neighbouring smallholder development in the Central Province of Kenya. It is hoped that the latter will be the forerunner of further developments in this field in all three territories in the next few years. A very great deal of work has been carried out with encouraging prospects and close liaison has been maintained with the governments.

(4) As to existing projects, 1959 was a year of general progress. The Tanganyika Wattle factory and the Tangold mine were brought into production; the latter unfortunately suffered a serious breakdown in the power house on Christmas Eve but has been brought back into production, after a two months' interruption, by the herculean efforts of the staff. With the improved copper price, Kilembe and Macalder mines began to earn a return on the capital invested.

(5) Constitutional development accelerated in each of the territories. A CDC representative has been appointed in Tanganyika with an office in Dar-es-Salaam.

Interior of soap factory of East African Industries Ltd, Nairobi, Kenya. *Photo by Palle Artler, Nairobi*



49 Block Hotels Ltd

(1) CDC holds 20,000 shares of EA shgs 20 each (issued at EA shgs 40) of issued capital EA £360,000—and has undertaken to lend £120,000 (£112,500 drawn at 31.12.59) of total secured loans of £320,000.

(2) The company owns and operates the two premier hotels in Nairobi—the New Stanley and Norfolk. CDC, Kenya Industrial Development Corporation, Barclays Bank ODC and Mrs Tate together agreed to provide £460,000 new finance for partial reconstruction of the New Stanley Hotel. Extensions were completed in September 1959 and the hotel now has 200 bedrooms (350 beds).

(3) Net profit for year to 30.6.59 was £75,160 (1958 £97,590). The reduction in net profit is accounted for by the disturbance of trade during reconstruction.

50 East Africa Industries Ltd

(1) (*a*) Ordinary capital 504,000 shares of EA shgs 20 held as to 50% Unilever Ltd, 33⅓% CDC, 16⅔% IDC; CDC also holds 48,000 6% preference shares and has provided £157,667 on loan;

(*b*) the business consists of vegetable oil refining; manufacture of margarine and cooking fats and of laundry and toilet soaps;

(*c*) management is provided by Unilever Ltd.

(2) The soap factory was completed in September 1958 with a saving on estimated cost and became fully operational early in 1959.

(3) Trading conditions improved considerably in 1959 and the company has had a successful year.

(4) Sales and profits increased; sales £998,147 (1958 £504,917); net profit £126,121 (1958 £34,021).

51 Kenya Housing Authority

(1) Loan of £2m made 1954-58 to Kenya Government Central Housing Board for municipal and private housing programme for Africans.

(2) During 1959 the Housing Board advanced a further £586,532 to local authorities, including £101,500 to the Kiambu African District Council for villages near Nairobi. This was one of the first schemes carried out by an African District Council on a tenant-purchase basis; the standard of the houses is extremely good. Other major schemes were at Embakasi Airport and Kariobangi near Nairobi.

(3) It is expected that the £2m will cover the cost of housing about 50,000 people.

(4) Repayable by 25 annual instalments 1960-84.

52 Kenya Meat Commission

(1) £250,000 loan (1955) to expand the Commission's undertaking, guaranteed by the Kenya Government.

(2) The Commission is a statutory body, owning and operating abattoirs.

(3) (*a*) 1959 throughput, sales and profit were the best in the Commission's history;

(*b*) cattle throughput was increased to 90,964 head (1958 68,885), deliveries by Africans being more than doubled at 17,608 head;

(*c*) the canning plant at Athi River was expanded early in 1959 and greatly increased its production.

(4) Total sales were increased to £3,948,000 (1958 £3,100,585), including exports of £2,026,000 (1958 £1,272,604).

(5) Loan repayable by 20 annual instalments 1956-75; amount now outstanding £200,000.

53 Kenya Power Company Ltd

(1) In 1955 CDC subscribed £3·5m 5½% debenture stock 1975-1985; the balance of the £7·5m issue was subscribed through a public issue in London.

(2) Capital is EA shgs 2,000 (£100) owned equally by Kenya Government, Power Securities Corporation Ltd and The East African Power & Lighting Co Ltd (distributors).

(3) The company obtains power from its own hydro-electric stations at Tana and Wanjii, and from the Uganda Electricity Board's Owen Falls station over the company's 280 miles of 132 kV transmission line from Tororo on the Uganda border to Nairobi. Kenya demand rose and the load met by Owen Falls station reached a maximum of 20·5 MW.

(4) Nakuru, Gilgil, Nandi Hills and Kericho tea growing areas were supplied in 1959 by tapping the 132 kV line; construction started on a line to supply Kisumu.

(5) (*a*) 224·6m units were sold to distributors during 1959 (1958 190·1m);
(*b*) the price is determined by a formula laid down by bulk supply licence designed to cover only the company's costs including service of capital.

(6) At 31.12.59 sinking fund purchases in the market totalled £412,173.

54 Macalder-Nyanza Mines Ltd *General Manager:* M. F. STANSMORE

(1) Issued capital 700,000 shares of EA shgs 20 (£700,000), of which CDC now holds 94·3% and other interests 5·7%; during the year CDC took over at a nominal price the 200,000 shares issued to Kilembe against rights in the Jinja smelter—these rights being surrendered.

(2) Debts due to CDC have been reduced from £2,128,267 to £1,819,679—as to £292,981 by cancellation of accrued loan interest and as to £15,607 by cash repayment. As a contribution to the efforts of all concerned to put the company on its feet, CDC has agreed £1,120,000 of loans should bear no interest for three years on condition that all spare cash is used to reduce the debt due to CDC.

(3) The new internal shaft was sunk to the 8th level; 6th and 7th levels are being developed.

(4) Modifications to the metallurgical plant improved metal recoveries; further modifications, including construction of a small autoxidation plant to produce sulphuric acid from waste roaster gases, are expected to become effective in 1960.

(5) With improved copper prices normal working of the sulphide orebody was gradually resumed and mining grade lowered. By the year end, the mill was treating 10,000 tons sulphides a month of average grade 2·13% copper. Mine operating costs, after crediting revenue from precious metals, rose, as foreshadowed in last year's report, to £175 per long ton copper (1958 £155), the increase being aggravated by an abnormal drought in the middle of the year which severely limited power output from the company's hydro-electric station and necessitated extensive use of more costly diesel power.

(6) Operating results—

	1959	1958
Ore treated (short tons)	89,423	83,543
Average grade (% copper)	3·10	3·43
Copper produced (long tons)	1,982	1,988
Bullion—gold (oz)	5,651	3,952
—silver (oz)	45,947	40,695
Sales	£505,128	£451,101
Average copper price	£230	£198
Net operating loss on year's working	£6,445	£71,560

(7) The company has negotiated a five-year contract to sell its whole output of copper precipitate to a Japanese company.

55 Nyambeni Tea Co Ltd

(1) This company is being formed, after an investigation carried out in 1959, to establish a nucleus plantation of about 500 acres of tea in the Meru district of Kenya's Central Province, and to build and operate a factory for the processing of leaf from both the nucleus estate and about 700 acres of tea to be established in the neighbourhood under a Government supervised African smallholder scheme.

(2) Proposed capital is £250,000, all in equity, to be subscribed £120,000 by CDC, £120,000 by Eastern Produce (Holdings) Ltd, and £10,000 by the African District Council, Meru, with a provision enabling an increase in the African shareholding up to one-third of the total.

(3) Planting starts in 1960; it is hoped that the nucleus estate will be fully planted by 1964 and smallholders' 700 acres by about 1966; first stage of the factory should be ready by about 1964 to process leaf from the earliest plantings.

(4) Eastern Produce Africa Ltd are to be managing agents.

56 The Oceanic Hotel Ltd

(1) (*a*) Loan £125,000 (1957) on security, repayable 1959-66;

(*b*) issued capital at 31.7.59 £156,250—150,000 ordinary 'A' shares of EA shgs 20 each, fully paid, and 125,000 ordinary 'B' shares of EA shgs 20 each, 1/– paid. The company is a subsidiary of Uganda Coffee Curing Co Ltd.

(2) The company owns and operates the Oceanic Hotel, Mombasa, opened in October 1958. The hotel is gradually attracting local and overseas visitors, but it is expected to take some time before the accommodation regularly occupied provides an economic income.

(3) During 1959, at the request of the company, CDC agreed that annual repayments of the loan, due to begin in 1959, should be delayed by one year.

57 Unga Ltd

(1) (*a*) 250,000 shares of EA shgs 20 each (£250,000) and secured loan (1956/57) £600,000 repayable 1959-72;

(*b*) the company is a subsidiary of Kenya Farmers Association (Co-operative) Ltd; issued capital £1,550,000; total secured loans £570,362.

(2) The company has flour mills and maize mills operating in Kenya and Tanganyika and, through a subsidiary, in Uganda; it is now planned to transfer the bulk of the Tanganyika assets to a wholly owned subsidiary, Tanganyika Millers Ltd, incorporated in Tanganyika, which will assume the liability for one half of CDC's secured loan to Unga Ltd.

(3) Trading conditions in the first half of the company's financial year ending 31.7.59 were difficult, but from January 1959 there has been a steady increase in demand.

(4) Net profit for year to 31.7.59 after tax, £112,502 (1958 £134,105); dividend on ordinary shares 5% (1958 5%).

(5) CDC loan outstanding at 31.12.59 £570,362.

Tanganyika

58 Bird & Co (Africa) Ltd

(1) (*a*) During 1959 CDC took up the balance of its loan commitments under the arrangements described in last year's report to a total of £300,000 non-convertible debenture stock and £100,000 convertible debenture stock and also subscribed in cash for its entitlement of 66,000 ordinary shares in terms of the rights issue in November 1959;

(*b*) as the result of sales through the market, the holdings of convertible debentures and shares had been reduced to £89,000 and 50,000 shares at the year end. Further sales have since taken place.

(2) (*a*) The company in April 1959 suffered a great loss by the death of its chairman and managing director, Sir Eldred Hitchcock, who over many years advanced the company to its present eminent position in the Tanganyika economy;

(*b*) during 1959 Birds bought the neighbouring Consolidated Sisal Estates of East Africa Ltd adding 14,500 acres of sisal to the Bird plantations and bringing the total planted area of sisal to 55,000 acres at the end of 1959;

(*c*) out of 2,700 acres planned for tea the area planted at the end of 1959 was 1,740 acres, of which some 503 acres were in bearing.

(3) CDC had hoped progress would be made with a scheme for African smallholder tea in the area mentioned in last year's report but, with Sir Eldred's death and the additional commitments taken on by the company during the year, the company has not been able to give further consideration to the scheme.

59 Liganga Iron Ltd

(1) Capital 30,000 shares of EA shgs 20 each (£30,000). CDC holds 9,750 shares, the rest are owned by Frobisher Ltd of Canada, Anglo-American Corporation of South Africa Ltd and Tanganyika Government.

(2) CDC also holds £20,000 unsecured notes representing the balance of cost of investigation.

(3) The only work done during 1959 was study of the additional drilling by Tanganyika Geological Survey in 1958 and computation of ore reserves. These total 44m tons of average grade 46·6% iron, 12·8% titanium oxide and 0·7% vanadium pentoxide. No further investigation is justified until there is some hope of a railway to open up the neighbouring coalfields (para 63).

(4) Spent to 31.12.59 £39,407.

60 Maramba Estate Ltd

(1) Negotiations have now been concluded in terms of which CDC joins with Holland Tanganyika Compagnie NV of Rotterdam in developing the plantations of Maramba Estate Ltd in the foothills of the Usambara Mountains of Tanganyika.

(2) The issued share capital of the company is being increased to £500,000 of which CDC and HTC will each hold £250,000 subscribed at par.

(3) Further finance to complete development will be provided by loans up to a total of £200,000 contributed pari passu by CDC and HTC.

(4) HTC and CDC are equally represented on the company Board. HTC are managing agents.

(5) At present Maramba Estate has 800 acres of cocoa and 200 acres coffee with interplanted kapok. It is planned to develop the cocoa acreage to 4,750 over the next ten years. The cocoa grown is similar to a superior Java Criollo type which has a ready market in Europe.

61 Mbeya Exploration Co Ltd

(1) (*a*) Issued capital 100 shares of EA [illegible] (£100) of which N. V. Billiton Maatschappij of The Hague hold 70% and CDC 30%.

(*b*) balance of funds by loans from partners in same proportion; at 31.12.59 CDC had lent £450,000.

(2) (*a*) The company is investigating and developing a pyrochlore (niobium) deposit at Panda Hill, Mbeya district, south-west Tanganyika;

(*b*) N. V. Billiton Mij of the Hague are consulting engineers and managing agents.

(3) A series of tests to determine the best drilling and blasting techniques was satisfactorily completed. Further work was done on treatment processes; some progress was made and tests continue.

(4) In 1959 106 metric tons of mill concentrates were shipped to the Netherlands for upgrading. Users of niobium concentrates in Europe and USA were approached by Billiton's affiliated companies N. V. Montaan Metaalhandel, Amsterdam, and Montanore Inc, New York, resulting in the sale of the whole production.

(5) Large sums are being spent on research into uses of niobium and niobium alloys by leading metallurgical firms in North America and Europe. Ferro-niobium, used mainly in stainless steel, seems to be gaining ground; niobium metal is being increasingly used in high temperature alloys and world consumption of metal and alloys is rising. Even so, demand will have to increase considerably, and much sales promotion will be needed before putting the mine into production would be justified.

62 Rungwe Coal Co Ltd

(1) (*a*) Capital is 10,000 shares of EA shgs 20 (£10,000) of which 8,750 shares are held equally by CDC and N. V. Billiton Maatschappij, The Hague; balance for Tanganyika Government;

(*b*) additional finance provided by loan equally by CDC and N. V. Billiton Maatschappij.

(2) The company was incorporated on 14.5.57 to investigate the Kivira-Songwe coalfield in

Rungwe district, south-west Tanganyika, for power needs of the Mbeya Exploration Co Ltd (para 61).

(3) The investigation by CDC was completed in June 1957 and proved over 20m tons of good quality coal.

(4) In the absence of any major sales outlets no work was done in 1959 and development still awaits a decision on source of power to be used by Mbeya Exploration Co Ltd.

(5) Spent at 31.12.59—£78,727.

63 Tanganyika Coalfields Ltd

(1) Capital 100,000 shares of EA shgs 20 each (£100,000). CDC holds 35,500 shares, the rest are owned by Anglo American Corporation of South Africa Ltd, Frobisher Ltd of Canada and Tanganyika Government.

(2) Balance of cost of CDC 1949-53 investig[illegible] provided by issue of unsecured notes to CDC and Tanganyika Government of which CDC £[illegible]54.

(3) No work was done in 1959. Developm[illegible]olliery awaits provision of railway.

(4) Spent to 31.12.59 £435,678.

64 Tanganyika Wattle Co Ltd *General Manager:* F. J. MUSTILL, OBE

(1) (*a*) Issued capital 500,000 EA shgs 20 shares;

(*b*) balance of capital required is being provided by loans from CDC (£1,048,796 at 31.12.59);

(*c*) the company became a wholly owned CDC subsidiary on acquisition of 50,000 shares formerly held by East African Tanning Extract Co Ltd (EATEC);

(*d*) revised arrangements have been agreed with The Forestal Land, Timber and Railways Co Ltd (Forestal) and its subsidiary EATEC under which EATEC's management agreement was replaced from 1.7.59 by a consultancy agreement with Forestal, giving continued access to their expert knowledge and advice; Forestal are also world sales distributors.

(2) (*a*) The company owns 33,000 acres of wattle near Njombe in the Southern Highlands Province; the factory for processing wattle bark into tanning extract started production on 1.4.59;

(*b*) the Bena Wattle Scheme, through which the company has helped to establish an African wattle growing industry, embraces 9,644 planted acres; the company purchases bark produced by African smallholders who participate in this scheme;

(*c*) field and factory operations went well; 5,936 tons of wattle extract produced—400 tons more than original estimate.

(3) (*a*) The use of synthetic materials as a substitute for vegetable tanned leather on the soles of footwear, continues to influence world demand for wattle extract;

(*b*) production plans are being related to prevailing and prospective demand and surplus lower yielding areas of wattle will not be regenerated.

(4) Result for first year of commercial operation was a surplus of £9,652 after charging amortisation of development and plantations (£61,717) but before CDC loan interest.

Felling wattle trees for bark stripping at Tanganyika Wattle Estate Ltd

65 Tangold Mining Co Ltd

(1) (*a*) Issued capital is 1,130,000 shares of EA shgs 20 each (£1,130,000), held equally by CDC and The Consolidated Gold Fields of South Africa Ltd;

(*b*) CDC has lent £700,000 6% debentures repayable by annuities 1959-69. Owing to delays in getting into full production the company was unable to meet the first £95,000 annuity which CDC agreed to postpone.

(2) The formation agreement provided that the mine should be under the technical directions of The Consolidated Gold Fields of South Africa Ltd until brought into production.

(3) The mill started on half production in January but, owing to protracted teething troubles, the full designed production rate of 17,500 tons per month was not achieved until October. Construction took longer and cost considerably more than was expected because of the amount of modification and rehabilitation required by the secondhand plant brought from Ghana.

(4) Output was satisfactory in the last quarter of the year, and, although further plant modifications were found necessary, most difficulties seemed to have been overcome when on Christmas Eve a major breakdown in the power house stopped all production; one diesel engine crankshaft broke and on investigation cracks were found in all engine foundations.

(5) Temporary units have been transferred from other locations in East Africa and, by the very great efforts of management and staff, were installed and went on full load by February 16th 1960.

(6) There is now enough power to get the mine into full production again, but with little margin until the major remedial works are completed. This will take time and more finance will be needed to tide the company over.

(7) During the year underground development continued; 5,018 ft of diamond drilling; 4,169 ft of driving, winzing and raising; 68 ft of shaft sinking to a depth of 612 ft.

(8) 140,650 tons ore, of average grade 5·09 dwt/ton, were milled and produced 29,227 fine oz gold. Working surplus for the year was £17,450. After providing for 1959 annuity £94,886 and plant renewals £20,788 in lieu of depreciation according to common mining house practice, the net loss was £98,224.

Uganda

66 Kilembe Mines Ltd

(1) (*a*) Issued capital 5,700,000 shares of EA shgs 20 each (£5·7m) held by Kilembe Copper Cobalt Ltd of Toronto 70%; CDC 20%; Uganda Development Corporation and the Omukama of Toro 10%;

(*b*) loan capital £1·8m of which CDC holds £723,416 6% debentures 1959-75 and £250,000 6% unsecured notes repayable 1960; balance of debentures held by Kilembe Copper Cobalt Ltd, Uganda Development Corporation, Toro Native Government and Kigezi African Local Government.

(2) Frobisher Ltd of Toronto act as consulting engineers and general managers; Mr A. E. Pugsley of Frobisher is managing director of the company.

(3) The arrangement by which the company granted Macalder-Nyanza Mines Ltd (para 54) rights to capacity in the company's smelter at Jinja in consideration for 200,000 Macalder shares was ended and these shares have been acquired by CDC.

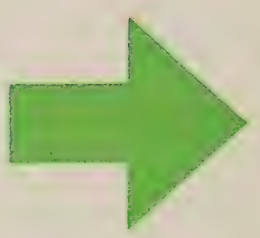
(4) The new copper oxide plant operated throughout the year with increasing efficiency; the enlarged capacity of the smelter is reflected in improved production figures.

(5) Operating results—

	1959	1958
Ore milled (short tons)—sulphide	519,735	521,922
„ „ „ „ —oxide	172,573	—
Grade (% Cu)—sulphide	2·22	2·13
„ „ „ —oxide	3·30	—
Blister copper produced (long tons)	11,930	10,831
Average mine operating cost (per long ton copper)	£152	£151
Sales	£2,804,017	£2,112,525
Average copper price	£238	£196
Net profit	£442,992	—£43,874

(6) Kilembe progress to profit earning status is encouraging. Ore reserves decreased by about the tonnage mined during the year; development programme is under consideration.

CENTRAL AFRICA REGION



Includes:

FEDERATION OF RHODESIA AND NYASALAND

Regional Controller:

D. F. FAIRBAIRN

Regional Office:

HARVEST HOUSE, BAKER AVENUE,

SALISBURY,

SOUTHERN RHODESIA

CENTRAL AFRICA REGION

Central Africa Federation
1 Central African Airways Corporation
2 Federal Power Board (Kariba)
3 Industrial Promotion Corporation Rhodesia and Nyasaland Ltd

Northern Rhodesia
4 Chilanga Cement Ltd

Nyasaland
5 Kasungu Tobacco Estates
6 Nyasaland African Housing
7 Vipya Tung Estates

Southern Rhodesia
8 Southern Rhodesia African Housing

67 Regional Summary

(1) One new project brings the total to eight with a commitment of £20,973,000 of which £8,672,000 was spent.

(2) CDC manages two direct projects under supervision of the Regional Controller. There are two investments in companies of the Boards of which the Regional Controller is a member, and four loans to Governments or government agencies.

(3) The new project is a subscription for 50,000 shares in the capital of the Industrial Promotion Corporation of Rhodesia and Nyasaland, sponsored by the Bank of Rhodesia and Nyasaland to help expansion of industry throughout the Federation. In general, the dearth of new schemes coming forward, from Northern Rhodesia in particular, is disappointing; it reflects the present pause in economic development in the Federation.

(4) The Federal Power Board is to be congratulated on finishing the Kariba hydro-electric project (in which CDC has a substantial interest) on time in spite of unprecedented river conditions during construction; first power was delivered to the Copperbelt on 1st January 1960. Production at Chilanga Cement Ltd was maintained at the high level reached in 1958 but with the main wall at Kariba finished during the first half of the year there was a drop in demand which, coming on top of a general recession in the building industry, seriously affected sales. Since the year end, production has had to be curtailed.

(5) The agricultural projects in Nyasaland had a better year despite difficulties caused by political disturbances in February. At Kasungu Tobacco Estates the first year of the new development programme based on an African smallholder scheme went well. Nucleus estate tobacco fetched almost 40d per lb on average, and the smallholders' tobacco averaged 35d per lb. Plans for further cautious expansion have been prepared which, if successful, would be a great help to the Central Province in introducing a new African cash crop. At Vipya Tung Estates, tung oil prices improved from the abnormally low level reached last year but future of this commodity is still uncertain.

A smallholder farmer from Kasungu bringing his tobacco leaf to the auction sale, Nyasaland.

Photo by Nyasaland Government Information Department

Federation of Rhodesia and Nyasaland

68 Central African Airways Corporation

(1) £1·75m loan (1954) for purchase of Vickers Viscount aircraft and spares, secured on Central African Airways assets and guaranteed by the Federal Government.

(2) In common with many other airlines CAA suffered a traffic reduction in 1958/59, but since 1.7.59 revenue has considerably improved.

(3) Repayable by annual instalments, 1959-67; amount outstanding at 31.12.59 £1,662,500.

69 Federal Power Board (Kariba)

(1) Loan £15m (1956) guaranteed by the Government of the Federation of Rhodesia and Nyasaland repayable by annuities starting in 1965.

(2) The loan is to help build the £80m first stage of the Kariba hydro-electric project on the Zambezi which will supply power over an area the size of Britain. The balance comes from loans from International Bank for Reconstruction and Development, the Commonwealth Development Finance Co Ltd and the Federal Government (mainly from loans by Rhodesian copper mining companies, British South Africa Company, Standard Bank of South Africa and Barclays Bank DCO).

(3) The concrete in the main dam wall was completed on 22.6.59 when Sir Roy Welensky, Prime Minister of the Federation, formally poured the last bucket of concrete. 1¼m cu yds of concrete were used (nearly 3m tons) made almost entirely with Chilanga cement (para 71).

(4) The first of the six 100 MW turbines started on 28.12.59 when power began to flow to the Northern Rhodesia Copper Belt.

(5) The first stage is ahead of schedule and well within estimated cost. The Board hopes to start the second stage of Kariba about 1962. This will involve the construction of a second underground power station on the left bank with an installed capacity of about 900 MW, bringing the total generating capacity at Kariba to about 1,500 MW. It is likely the first machine in the new station will come into operation in 1967.

(6) Nothing was drawn by the Board on CDC's loan in 1959 and the amount advanced remains at £2·95m because the Power Board has so far been able to use resources available to it on cheaper terms.

70 Industrial Promotion Corporation of Rhodesia and Nyasaland Ltd

(1) In 1959 CDC agreed to subscribe for 50,000 £1 shares in a newly formed company, Industrial Promotion Corporation of Rhodesia and Nyasaland Ltd, which was sponsored by the Bank of Rhodesia and Nyasaland with full support of Federal and territorial Governments.

(2) The company has an authorised and issued share capital of one million £1 shares which have been taken up by over 60 companies and institutions; borrowing powers £3m.

(3) Object of the company is to help with finance (in form of equity, debenture or loan) for industrial projects and also to give technical advice on production, costing, accounting and marketing procedures.

(4) Abundant supplies of power will become available from Kariba hydro-electric scheme (para 69) in 1960 and there is need for such a company to help expansion of industry throughout the Federation.

(5) First payment on shares (5/– per share) was made on 15.1.60. CDC's investment will be held through its wholly owned subsidiary, Rhodesia and Nyasaland Development Corporation Ltd.

Northern Rhodesia

71 Chilanga Cement Ltd

(1) (*a*) Issued capital Rh£1½m in 5/– ordinary shares and Rh£180,000 in 5% cumulative redeemable £1 preference shares;

(*b*) at 31.12.59 CDC held 2,215,384 ordinary shares (37%); balance held by Premier Portland Cement Co (Rhodesia) Ltd (company's general managers) and the public; CDC also held 135,000 preference shares.

(2) With Kariba (para 69) main dam works virtually completed by April 1959, deliveries to this major consumer fell off sharply. The company has been faced with the task of rebuilding a market to replace Kariba demand at a time of general recession in the construction industry in Northern Rhodesia; sales to other users had increased by over 50% at year end.

(3) Production in 1959 was 188,617 tons of clinker (1958 189,995 tons); cement sales totalled 148,207 tons (1958 209,198 tons); net profit before tax £368,540 (1958 £576,576).

(4) An interim dividend on ordinary shares of 1½d net was paid on 15.10.59 and a final of 4d declared on 15.3.60, making total distribution for 1959 5½d net (14⅔% gross; 1958 18⅓% gross including 2⅔% bonus).

Nyasaland

72 Kasungu Tobacco Estates *Manager:* B. G. HARTLEY

(1) A CDC direct project with capital at 31.12.59 £170,997, after writing off £139,500 on reorganisation in 1958.

(2) (*a*) Following reorganisation the 1958/59 season went better, though on too small a scale with present overheads to be profitable; 113 acres of flue cured tobacco on the nucleus estate produced sales of 935 lb of tobacco per acre at 39·3d per lb (Nyasaland average 28·5d per lb), ie £153 per acre (1958 £33 per acre on 390 acres);

(*b*) the African smallholders had a good second season, with average of 812 lb per acre at 35·1d per lb, showing average net return to each of six smallholders of £109 per holding; they all also grew food crops to carry them through the following year;

(*c*) these are encouraging results particularly in view of the political disturbances which coincided with reaping; labour and smallholders remained at work, but project staff were for a long time engaged on security duties and inevitably the crops suffered.

(3) (*a*) For 1959/60, 160 acres were planted on the nucleus estate, all in November; prospects are reasonably good;

(*b*) six more African smallholders joined the scheme and were settled on the land in August; all twelve smallholders' crops were planted out in December.

(4) (*a*) CDC plans envisage gradual expansion if all goes well to 470 acres under tobacco by 1962/63, including 30 smallholders growing a total of 120 acres;

(*b*) Nyasaland Government are enthusiastic and helpful; they intend to contribute towards the overheads of the smallholder scheme. The UK Government has approved finance required up to 30.6.61.

(5) Loss for 1959—

	£
Nucleus estate	3,827
Unrecovered overheads of smallholder scheme	9,893
	£13,720

73 Nyasaland African Housing

(1) Loan of £1m (1957/58) to the Nyasaland Government for urban African housing schemes.

(2) Contracts completed in 1959 provided 859 houses in the Blantyre/Limbe area, 350 in Zomba and 186 in Lilongwe.

(3) Balance of some £236,000 will be used to provide individual low-cost housing units now being designed.

(4) Repayable by annuity 1967-86.

Young tung trees at Vipya Tung Estates, Nyasaland.

74 Vipya Tung Estates *Manager:* R. A. LEACH

(1) CDC direct project with capital at 31.12.59 £802,465 after writing off £213,423 on reorganisation in 1955.

(2) 5,337 acres under tung of which 727 were seven years old or more in 1959 and classified as mature, although not yet fully bearing.

(3) Nyasa Tea Estates Ltd gave up the managing agency on appointment as visiting agents from 1.9.59.

(4) (*a*) Political disturbances early in the year seriously affected estate operation; labour was prevented from working and project staff were engaged in security duties;

(*b*) low rainfall while nuts were growing affected yield, which remains below expectation, particularly for immature trees; later in the year heavy and unseasonable rain delayed drying and collection, and affected quality of the oil; shortage of labour for dehusking fruit caused further delays; experiments with mechanical dehusker showed signs of success.

(5) 521 tons nuts harvested (1958 289 tons) which produced 169 tons of oil (1958 94 tons).

(6) CDC took over from the Nyasaland Tung Board the selling of the Vipya oil. Rising linseed oil prices, and reduced offerings by China resulted in prices better than 1958, despite substantial export sales by the US from Commodity Credit Corporation stocks. The average price realized was about £120 per ton fob Beira (1958 £68).

(7) Possibilities of other crops continue to be examined; experimental coffee yields are disappointing; irrigated tea is being considered.

(8) Net operating loss £15,044 (1958 £16,402). Yields from acreage classified as mature are still too low at present world prices to cover revenue costs; though stringent economies are being made, improvement in results must await the trees coming into full bearing and a much larger oil production.

Southern Rhodesia

75 Southern Rhodesia African Housing

(1) £1m loan (1957) to the Southern Rhodesian Government towards their £1·75m programme for urban African housing.

(2) Programme was completed in 1958 with housing estates at Highfield African Township, Salisbury and at Bulawayo, Gwelo and Que Que; schools, business premises and other amenities have been provided by Government.

(3) Repayable by 20 annual instalments 1966-85.

HIGH COMMISSION TERRITORIES REGION

Includes:

BASUTOLAND, BECHUANALAND PROTECTORATE

SWAZILAND, TRISTAN DA CUNHA

Regional Controller:

J. C. CATER

Regional Office:

52 PRITCHARD STREET,

JOHANNESBURG

HIGH COMMISSION TERRITORIES REGION

1 High Commission Printing & Publishing Co Ltd

Basutoland

2 Ox Bow Lake Power and Water Investigation

Bechuanaland

3 Bechuanaland Cattle Ranch
4 Bushman Pits Ranch
5 Lobatsi Abattoir
6 Molopo Ranch
7 Molopo Settlement Scheme

Swaziland

8 Mhlume (Swaziland) Sugar Co Ltd
9 Swaziland Canners (Pty) Ltd
10 Swaziland Irrigation Scheme
11 Usutu Pulp Co Ltd

Tristan da Cunha

12 Tristan da Cunha Development Co Ltd

76 Regional Summary

(1) There are twelve projects in the three High Commission Territories and Tristan da Cunha. Capital approved £16,657,000 and £10,640,000 spent. The CDC loan to Ubombo Ranches Ltd was repaid during the year.

(2) Six projects are managed directly by CDC under the supervision of the Regional Controller. There are four investments in companies with CDC representation on the Board and there is the Ox Bow investigation.

Swaziland

(3) In a year of striking progress the two big 'solo' projects, Swaziland Irrigation Scheme and Usutu Forests, started by CDC a decade ago, made further progress.

(4) Mhlume (Swaziland) Sugar Co is the first major agricultural development to follow completion in 1957 of CDC's irrigation weir and canal on the Komati river. Where, only 18 months ago, herds of antelope roamed in the bush, thriving canefields, centred round the most modern sugar factory in Africa, cover nearly 8,000 acres. The first sugar was produced in February 1960 and the mill went into full production in March 1960. Further development will follow as the sugar quota—now 40,000 tons per annum—is increased. The Swazi Nation, with 300-acre sugar cane development irrigated from the CDC canal, has a direct stake in success of this new industry.

(5) On the remainder of the Swaziland Irrigation Scheme, CDC grows rice, sugar cane and citrus and runs a 10,000 head herd of beef cattle. Plans are now being drawn up to settle farmers, including Swazis, on some of CDC's irrigable land.

(6) Usutu Forests project has now become Usutu Pulp Co Ltd, in which Courtaulds and CDC are equal partners. The company has taken over the 150 square miles of pine forests planted by CDC and it is planned to produce some 100,000 tons per annum of kraft pulp in a pulpmill of which construction has begun. At present prices this should add some £3m to Swaziland's annual exports.

(7) Ubombo Ranches (Pty) Ltd, already in production of sugar at Big Bend in the south of Swaziland, repaid CDC the £85,000 loan which had helped to finance the building of the irrigation canal in 1953.

(8) Development in Swaziland is gathering momentum. There is a big programme of road improvement and there are plans for a railway, hydro-electric power, iron ore and coal mines.

Bechuanaland Protectorate

(9) Lobatsi Abattoir had a record year with nearly 90,000 head of cattle slaughtered and sold, over 26,000 of them to overseas markets. CDC's long-held wish that BP cattle trade should share directly in benefits and responsibilities of abattoir operation is at last on the way to fulfilment. CDC will transfer its abattoir assets to a new company, to be called Bechuanaland Protectorate Abattoirs Ltd, in which initially BP Government and Trustees of cattle producers will each acquire 25% of the equity—and can eventually buy out CDC if they wish.

(10) The ranches had a mixed year. Molopo Ranch, as usual, did well, and made a substantial profit. Bechuanaland Cattle Ranch suffered severely from drought; it was affected by disease introduced by cattle from Ngamiland kept temporarily on the ranch prior to export and it was unable to re-stock with young cattle from Ngamiland. The ranch has since been reorganised on new lines and should play an increasingly useful part in the Protectorate's all-important cattle industry.

Basutoland

(11) The investigation of the Ox Bow Lake hydro-electric power and water scheme continued but no decision is likely for some years.

(12) Search for ways in which CDC can help development of Basutoland continued. The task is difficult because Basutoland has a harsh climate, poor communications, apparently few natural resources, and a land-tenure system that hinders progress; but a few small schemes have been discussed with Government.

Sugar mill of Mhlume (Swaziland) Sugar Co Ltd, Swaziland.

High Commission Territories

77 High Commission Printing & Publishing Co Ltd

(1) £10,000 loan secured on assets of the company and guaranteed by parent, Bantu Press (Pty) Ltd.

(2) The company publishes local language newspapers in the High Commission Territories; also has a printing business in Mbabane.

(3) Repayable by ten annual instalments 1955-64; outstanding at 31.12.59 £5,000.

Basutoland

78 Ox Bow Lake Power and Water Investigation

(1) The Basutoland Government and consultants completed the first stage of investigation of a hydro-electric/water supply scheme on the Malibamatso River (tributary of Orange River) in December 1959. Geological, aerial and market surveys will now be carried out and further hydrological data collected.

(2) A newly appointed board of engineers is examining the viability of a small pilot hydro scheme to supply power to Maseru district only and irrigate an area near the proposed pilot power station. Prospects for the development of a full scale Ox Bow Lake scheme may hinge on mineral development in Basutoland.

(3) The Regional Controller is a member of the advisory board.

Bechuanaland

79 Bechuanaland Cattle Ranch *Ranch Managers, Nata:* J. C. MARNEWICK (from 1.10.59)
Panda-ma-Tenga: M. M. DE VILLIERS (from 1.12.59)

(1) Direct CDC project with book value £151,523.

(2) Herd decreased from 11,826 head to 7,347 head during 1959. Principal reasons were—

(*a*) herd at 1.1.59 included cattle which would have been sold in 1958 but for veterinary restrictions; they were sold in 1959;

(*b*) there was no intake from Bushman Pits Ranch in 1959 (para 80); this should adjust itself in 1960;

(*c*) Nata herd was heavily culled and all animals unlikely to improve were sold.

(3) (*a*) 1,417 births in 1958/59 season represented a calving percentage of 55·5; this was an improvement on 1957/58 season which was adversely affected by restrictions preventing bull replacement; calving percentage should improve still further with breeding concentrated at Nata and breeders heavily culled; recent purchases of higher grade bulls should help;

(*b*) death rate in 1959 at 7·6% was high (1958 5·3%); herd was badly hit by prolonged drought widespread throughout Southern Africa.

(4) To assist exporters of Ngamiland cattle in disposing of surplus herds built up during 1957 and 1958 restrictions, CDC allowed Panda-ma-Tenga ranch to be used as a quarantine and holding area for their cattle during 1959 export season. An unfortunate result was the introduction of disease; the Protectorate Government has undertaken to provide and staff a quarantine camp for these cattle outside CDC's ranch.

(5) 4,872 head of CDC cattle were sold; in addition Panda-ma-Tenga ranch sold 6,195 head bought from Bushman Pits Ranch (para 80) and Ngamiland traders for immediate resale mainly to the Federation Cold Storage Commission.

(6) Because of the drought, cattle sold were in bad condition and realised poor prices, those retained did not show their normal improvement and more than usual died; trading for the year showed a loss of £22,395 (1958 loss on comparable basis £18,223); after writing off surplus assets, £13,797, loss totalled £36,192.

(7) Management was changed during the year and the project is now divided into separate ranches with operations now more closely related to local environment—

(*a*) Nata—a breeding ranch based on selected breeders and high-grade bulls;

(*b*) Panda-ma-Tenga—to fatten cattle taken over from Bushman Pits Ranch.

80 Bushman Pits Ranch

(1) Capital at 31.12.59 £15,928.

(2) (*a*) A former outlying station of Bechuanaland Cattle Ranch (para 79); now leased to Ngamiland Cattle Exporters' Association, a cattle traders' co-operative;

(*b*) members buy immature cattle from Ngamiland producers and graze them on the ranch until ready to be finally fattened by Bechuanaland Cattle Ranch before export.

(3) Government restrictions on cattle movement imposed in 1958 were not removed till 1959, when cattle had grown to slaughter weight and had to be exported immediately.

(4) 7,315 head were on the ranch at 31.12.59 (4,685 at 31.12.58); most will be ready for transfer to CDC in 1960.

(5) Facilities jointly provided by CDC and banks for financing members' cattle were again fully used; a useful service in what was another difficult year.

(6) Revenue cost CDC in 1959 was £826 (administration costs less rent and interest received).

81 Lobatsi Abattoir *Manager:* A. R. J. MCGREGOR

(1) Direct CDC project with capital employed at 31.12.59 £612,436 including fixed assets £454,459.

(2) (*a*) A good year with record throughput;

(*b*) summary of operations for last three years—

	1959	1958	1957
	Head	*Head*	*Head*
Abattoir sales of carcase beef—			
Union of South Africa	56,073	38,234	30,064
other traditional markets in Africa	4,307	16,683	28,249
overseas	26,646	6,567	—
	87,026	61,484	58,313
Condemned carcases	2,543	1,806	1,710
Total slaughtered	89,569	63,290	60,023
Exports of live cattle—			
sold by abattoir	—	7,215	1,900
sold by Bechuanaland Cattle Ranch	10,188	60	4,882
Total offtake from BP cattle industry	99,757	70,565	66,805

(*c*) the increase of 17,839 carcases in sales to the Union represents 50% over 1958, the previous best year; other markets in Africa for carcase meat fell away but overseas exports took 20,079 more carcases.

(3) Suppliers accepted continuation throughout 1959 of the arrangement under which they are paid the net proceeds of beef after meeting marketing expenses, leaving proceeds of hides, offal and by-products to cover abattoir costs and service capital. CDC for its part continues to pay profits in excess of 6% on capital employed to trustees representing the cattle industry; prices paid to suppliers were later increased and a premium paid to encourage deliveries in the slack months of September to November, but without much noticeable effect.

(4) Sales £2,512,837 (1958 £1,934,312); net profit, after paying the increased prices and premium referred to above, £111,867 (1958 £65,117) of which £46,709 goes to CDC and £65,158 to producers' trustees.

(5) (*a*) Participation by the Protectorate Government and the cattle industry in ownership of the abattoir is now accepted by all parties; abattoir assets of £600,000 will be transferred by CDC to the local company formed in 1958 in return for 300,000 £1 shares and £300,000 6% first mortgage debentures; CDC will retain control but will sell half the equity to the Government and to trustees for the cattle industry;

(*b*) CDC will be appointed managing agents.

(6) (*a*) Prospects for sales in the Union in 1960 are good; demand in the Congo continues low; the Federation Cold Storage Commission has undertaken to buy 15,000 head annually for the next three years, at least 50% being cattle on the hoof; and overseas exports will continue;

(*b*) the abattoir has shown that it can slaughter 90,000 head in a year; it is for the industry to show whether it can sustain cattle production at this level.

82 Molopo Ranch *Manager:* E. J. TRANSFELDT

(1) A direct CDC project with capital £236,024 including Settlement Scheme (para 83) £34,985.

(2) The ranch suffered from the prolonged drought widespread throughout Southern Africa in 1959; but thanks to development of water supplies and controlled grazing the effect on Molopo herd was relatively slight.

(3) (*a*) Herd strength increased during the year from 9,859 head to 10,192 head;

(*b*) 1,981 births in 1958/59 season represented a calving percentage of 54·2 (1957/58 54·7%); death rate in 1959 was 3·3% (1958 2·8%).

(4) (*a*) 2,350 head were sold to Lobatsi Abattoir for slaughter (1958 1,772); they graded well, particularly ranch-bred animals, despite unfavourable conditions;

(*b*) 1,000 head of immature slaughter-type cattle were purchased in 1959 for sale in 1960 and 1961.

(5) Further developments were 63 miles of fencing and two more boreholes.

(6) Net profit for year £12,437 (1958 on comparable basis £11,506).

83 Molopo Settlement Scheme

(1) This scheme has been taken over as from 1.1.59 by the Protectorate Government for £44,209, representing the improvements CDC has effected on the thirteen farms in the scheme.

(2) The Government is now selling the farms to settlers; three have been sold outright and the value of improvements on them, £9,224, has been paid to CDC in part discharge of the Government's debt. Balance of debt is payable as farms are sold, interest being chargeable on amount outstanding.

(3) Assets are included in Molopo Ranch accounts at £34,985.

84 Mhlume (Swaziland) Sugar Co Ltd

(1) Issued capital 1·25m shares of £1 each fully paid held 60% by Sir J. L. Hulett & Sons Ltd and 40% by CDC; CDC has undertaken to lend up to £2·75m of which £2,050,000 called to 31.12.59.

(2) The company has a milling quota to produce 40,000 tons of sugar per annum; 80% of the mill's cane requirements being grown by the company on land bought from CDC; production and marketing arrangements are regulated by agreements in which the South African Government and the South African Sugar Association are joined.

(3) In 18 months since it was incorporated, the company has cleared 8,859 acres of bush, developed a complete irrigation and road system, completed housing for 36 staff and 2,200 labourers, planted 7,680 acres of sugar cane and completed construction of the most modern sugar factory in Africa.

(4) The production of sugar began in March, 1960.

(5) In addition to cane from its own estates, the Mhlume mill will process cane from Swaziland Irrigation Scheme (para 86), Tambankulu Estates Ltd and the Swazi Nation; all areas are irrigated from CDC's Mhlume Water.

(6) CDC congratulates Huletts, the Mhlume Company and the Swaziland Irrigation Scheme staff and contractors on this outstanding achievement.

85 Swaziland Canners (Pty) Ltd

(1) (*a*) Issued capital 24,000 shares of £1 each, fully paid, of which CDC holds 4,725 shares;

(*b*) loans outstanding at 31.12.59 £137,399, of which secured by debenture £100,000; (CDC £65,000 secured and £18,850 unsecured; Barclays Overseas Development Corporation (BODC) £35,000 secured and £10,150 unsecured; Malkerns Valley pineapple growers £8,399 unsecured).

(2) (*a*) In 1955, at request of the Swaziland Government, CDC lent £65,000 to the company to enable it to carry on business; the Malkerns Valley pineapple growers had no other outlet for their produce;

(*b*)the original sponsors failed in 1956 and debenture holders appointed Samuel Hanson & Son Ltd managing agents for the company. CDC/BODC and Malkerns growers made further loans in 1956 and 1957 to keep the company going. In addition, CDC, BODC and Hansons have guaranteed temporary credit facilities for seasonal working capital.

(3) (*a*) In 1959 3,486 tons of pineapple were canned (1958 2,856); growers received £26,948 (1958 £21,548); 125,804 lb tomatoes were canned during pineapple off-season on an experimental basis;

(*b*) pineapple pack was of good quality and sold readily, but in a depressed market; overproduction by the main producing countries has resulted in a serious drop in prices of canned pineapples in UK;

(*c*) net loss for 1959 £29,499 (1958 loss £19,583).

(4) Despite sacrifices by debenture holders and growers, market conditions make future losses appear inevitable and CDC/BODC have notified growers that they cannot continue to finance operation beyond June 1960. Endeavours are being made to dispose of the cannery.

86 Swaziland Irrigation Scheme *General Manager:* A. N. GOODE OBE

(1) At 31.12.59 this CDC project had capital employed of £2,600,782.

(2) CDC still owns 92,000 acres of which 20,000 are under command of the Mhlume Water irrigation canal after selling 13,000 acres to Mhlume (Swaziland) Sugar Co Ltd (para 84).

(3) Project staff were heavily engaged (as in 1958) on planning and supervising development work on the Mhlume cane lands and development of the project's own lands was limited.

(4) Water used from Mhlume canal was 38,937 acre feet, about 77% of the total throughput. Revenue from water sales was £35,517, a surplus of £16,760 on operating costs which represents 1·5% on capital cost of canal. Water use will increase in 1960 but further major agricultural development must be initiated if the revenue is to service this investment.

(5) **Agriculture and livestock**

(*a*) **Agriculture**

(i) Production and sales

	Production		*Sales*	
	1959	1958	1959	1958
			£	£
Rice—tons	1,883	1,840	82,191	83,941
Citrus—boxes	11,422	12,289	7,558	11,004
Sugar cane—tons	16,167	4,847	48,503	14,664

Sugar cane sales were of seed cane, mostly to the Mhlume company;

(ii) acreages under crops at 31.12.59—1,511 acres rice;
195 acres citrus including 45 planted in 1959/60 season; development programme, rather slow in getting under way, should gather momentum in 1960/61;
410 acres sugar cane, representing full available growing quota.

(*b*) **Livestock**

(i) Sales

1,755 head cattle sold (1958, 1,221) realising £43,594 (1958, £25,795). Only 432 head exported, about the same as in 1958; many more would have been sold in the Union had not foot and mouth restrictions been imposed in adjacent areas;

(ii) herd at 31.12.59—

9,600 head (1958, 9,206) now organised in three self-contained beef ranches; one smaller holding ranch; a Jersey dairy herd; together with a small stud and fattening farm.

(6) (*a*) Trading results—

Gross profit/loss	1959 £	1958 £
Agriculture	60,798 profit	32,377 profit
Livestock	10,176 profit	262 loss
Mhlume Water operation	16,760 profit	8,591 loss
Administrative charges, etc (after apportionments to construction & development)	25,129	21,961
	£62,605 profit	£1,563 profit

(*b*) net profit for 1959 is £52,431 after writing off surplus assets (£10,174)

(7) 1959 has been a year of reorganisation and consolidation and of continued help to the Mhlume company; in 1960, plans are in hand to put more of the land and water to profitable use by expansion of cultivated area and by the settlement of individual farmers.

87 Usutu Pulp Co Ltd

(1) During 1958 a detailed investigation was begun by CDC and Courtaulds Ltd into the possibilities of establishing an integrated forest/pulp mill undertaking at the Usutu Forests project where CDC has, over the years from 1950, planted up nearly 100,000 acres with pines.

(2) At the end of June 1959 matters had been taken to the point where it was possible for Courtaulds and CDC to announce that, subject to further assurance from the appropriate authorities on water availability, road development and effluent disposal, it had been agreed to form a joint company—Usutu Pulp Co Ltd—to manufacture in Swaziland unbleached sulphate pulp for the paper and board industries.

(3) The company was duly registered on July 11th with a share capital of £5m, which will be subscribed equally by Courtaulds and CDC, the partners having equal representation on the board.

Pulp mill site being prepared at Usutu Forests, Swaziland, for erection of the pulp mill of Usutu Pulp Co Ltd

CDC has received £3·25m of first debenture stock as consideration for transfer of the Usutu Forests project as a going concern. It is estimated that the total investment required to bring the mill into production (including cost of the forest) will be more than £10m, the balance of finance to be found by the partners in the form of loan capital.

(4) The mill has been designed by Courtaulds to incorporate techniques evolved by them and Courtaulds have made available an expert team headed by Mr L. W. J. Loveless, executive director of Usutu Pulp Co Ltd, to carry through the construction phase and bring the mill into operation. The mill site has been cleared and all main contracts both for construction and for plant have been awarded. Swaziland Government is making good progress with the road programme necessary to enable plant and materials to reach the mill site and for pulp to be exported via Lourenço Marques.

(5) As to the forest, 94,500 acres (ultimate target 101,700 acres) had been planted by 31.12.59. In addition, 3,700 acres have been planted for the Swazi Nation, being 200 acres more than the area as first planned.

(6) It is with great regret that we have to report the retirement at March 31st, 1960, of Mr C. S. Hubbard, OBE, who passed retiring age during 1959. Mr Hubbard has been in charge of Usutu Forests from the start in 1949. The evolution of the CDC project into an integrated industrial concern in association with private enterprise partners of world-wide reputation has been made possible by Mr Hubbard's single-minded enthusiasm and technical skill. CDC is happy that Mr Hubbard has agreed to maintain his association with the project as consultant on forestry matters.

(7) The company, when in full production, will provide employment for over 3,000 in Swaziland. It is the company's intention to make special arrangements for teaching technical and other skills to enable local men and women to take their full part in the company's organisation and operations according to their qualifications.

(8) At 31.12.59 CDC's investment in Usutu Pulp Co Ltd was ordinary shares £250,000 (2,500,000 shares of £1 each—2/– paid) and £3,250,000 first debenture stock.

Tristan da Cunha

88 Tristan da Cunha Development Co Ltd

(1) A public company incorporated in and managed from South Africa. Share capital is £250,000 of which CDC holds £130,000.

(2) (*a*) 1958/59 fishing season (September to April) was a record, with 31,085 cases of frozen rock-lobster tails (1957/58 24,430 cases); in addition 1,530 cases of canned tails were produced in the cannery on the island;

(*b*) 1959/60 season opened well, with 32,140 cases by 1.3.60—another record; partly due to the introduction of a few Portuguese fishermen from Madeira;

(*c*) arrangements for USA sales in co-operation with South African rock lobster interests proved satisfactory.

(3) Net profit for year ended 30.6.59 was £18,009 (30.6.58 loss £3,952) after payment of a 10% royalty (£2,001) to island Administration; reduced deficiency on profit and loss account to £86,172.

WEST AFRICA REGION

Includes:

FEDERATION OF NIGERIA, NORTHERN AND SOUTHERN CAMEROONS, GAMBIA, GHANA, SIERRA LEONE

Regional Controller:

A. T. DE B. WILMOT

Regional Office:

5 CUSTOM STREET, LAGOS, NIGERIA

WEST AFRICA REGION

Gambia
1 Gambia Development Co

Ghana
2 Coast Construction Co Ltd

Nigeria
3 Cameroons Development Corporation
4 Coast Construction (Nigeria) Ltd
5 Dorman Long & Amalgamated Engineering Ltd
6 Ikeja Industrial Development
7 Ilushin Estates Ltd
8 Industrial and Agricultural Co Ltd
9 Investment Corporation of Nigeria Ltd
10 Kaduna Hotel
11 Lagos Executive Development Board
12 Nigerian Cement Co Ltd
13 Nigeria Hotels Ltd
14 Nigeria Housing Development Society Ltd
15 Northern Developments (Nigeria) Ltd
16 Northern Housing Estates Ltd
17 Omo Sawmills of Nigeria Ltd

Sierra Leone
18 Freetown Hotel Ltd

89 Regional Summary

(1) Eight new projects were approved bringing total commitments for eighteen projects to £9,798,000 of which £2,731,000 had been spent.

(2) CDC has management responsibilities for nine projects—in five cases in terms of managing agency agreements. There are seven investments in companies where the Regional Controller has a seat on the Board, and there is one loan to a government agency.

(3) Finalisation of the long drawn out negotiations for CDC participation in the capital (£3m loan with conversion rights) and management of the Cameroons Development Corporation effected by far the largest and most important new investment in the region, linked with a managing agency in CDC's favour. A small development company was set up in Gambia in association with the territorial government. The other new projects are in Nigeria.

(4) It has been possible with the active assistance of HMG to make a significant increase in the capital committed to projects in Nigeria in the last full year before independence. It is to be hoped that capital can be made available from other sources to fill the gap created by the restriction on CDC's participation in new financing. CDC management and advice will still remain available, if required, after Nigerian independence. The importance of CDC's participation in the Cameroons Development Corporation lies as much in the fact that CDC will manage as in the financial arrangements.

(5) The new projects in Nigeria include two development companies, Northern Developments (Nigeria) Ltd, and Industrial and Agricultural Company Ltd, with registered offices at Kaduna and Enugu. These companies are managed by CDC's wholly owned subsidiary, Development Corporation (West Africa) Ltd, registered in Lagos. This subsidiary will administer investment in Ikeja factories as a direct project. Other new projects are participation in the formation and capital of the Investment Company of Nigeria and of Kaduna Hotel and in the expansion and capital of Nigeria Hotels Ltd. All the companies in which CDC has investments in West Africa are locally registered. Local residents are beginning to show an active interest in share participation.

(6) The contracting companies in Ghana and Nigeria each had a better year and Omo Sawmills, for which CDC resumes management responsibility in 1960, struggled out of the red. There will be plenty of scope for sound administration in 1960 to establish firmly the new projects of 1959.

Members of the new Board of Cameroons Development Corporation.

Left to right: A. D. H. Paterson MBE, W. Rendell (*General Manager, CDC*), Chief Fobang, V. E. Mukete (*Chairman*), P. M. Wise (*Controller of Operations CDC*), A. T. de B. Wilmot (*Regional Controller CDC*), W. A. Belsham (*General Manager*).

(G. G. Carlyle OBE was appointed to the Board after the photograph was taken)

Gambia

90 Gambia Development Company (in formation)

(1) (*a*) CDC and the Gambia Government have agreed to form a local development company with an initial authorised capital of £15,000 (CDC £10,000 and Government £5,000);

(*b*) the Gambia Government has agreed to make grants to the company of £5,000 per annum for first five years towards administrative expenses.

(2) Object is to investigate and participate financially in commercially viable projects in the Gambia.

(3) CDC will be managing agents for a minimum of five years and will provide a qualified manager when arrangements are finalised. In the meanwhile a summary of development possibilities in the Gambia has been prepared and discussed with the Government.

(4) The company is expected to be incorporated early in 1960.

Ghana

91 Coast Construction Co Ltd

(1) (*a*) Issued capital 100,000 £1 shares held equally by CDC and Stirling-Astaldi (Africa) Ltd;

(*b*) CDC debenture loan, initially £300,000, has been reduced to £155,000 at 31.12.59 (1958 £190,000).

(2) Stirling-Astaldi (Africa) Ltd are managing agents and combine the management of this company with that of Coast Construction (Nigeria) Ltd (para 93).

(3) A successful year in 1959. Road construction and quarry output was better than last year.

(4) (*a*) Profit £70,085 (1958 £29,848);

(*b*) the company declared first dividend of 25% in respect of years 1957/58; 25% interim dividend declared for 1959.

Nigeria

92 Cameroons Development Corporation

(1) (*a*) In December 1959 CDC completed negotiations for participation in the financing and management of the Cameroons Development Corporation (CAMDEV);

(*b*) CDC is now represented equally with Governments of the Federation of Nigeria and of the Southern Cameroons on the Board of CAMDEV; CDC welcomes the appointment of Mr V. E. Mukete, a distinguished Cameroonian, as chairman;

(*c*) as managing agents, CDC, after consulting its partners, appointed Mr W. A. Belsham general manager.

(2) (*a*) CAMDEV is a statutory corporation established by the Governor of Nigeria in 1946 and charged with the development of lands formerly vested in the Custodian of Enemy Property;

(*b*) it leases some 250,000 acres in the Southern Cameroons of which 54,000 are planted with rubber, bananas, oil palms, cocoa, tea and pepper;

(*c*) in the past two years there has been a serious deterioration in CAMDEV's financial results, due mainly to increased incidence of diseases in the banana plantations; 1959 accounts will show a substantial loss.

(3) (*a*) CDC has undertaken to invest up to £3m to finance development of CAMDEV plantations; with long-term finance now assured, CAMDEV will resume a policy of expansion by replanting uneconomic estates and by new plantings;

(*b*) CDC has made available a £1m loan to CAMDEV as at present constituted;

(*c*) it is provided that when CAMDEV has been reconstituted as a joint stock company, CDC and the Governments will each hold half the £3m equity and that CDC will lend the new company £1½m.

(4) (*a*) The new investment now planned should bring increasing revenue to the Southern Cameroons, but CAMDEV cannot expect to make substantial profits until existing immature areas come into production and the injection of new capital with necessary reorganisation have had time to show results;

(*b*) development will proceed in accordance with the best commercial practice and in the spirit of the Cameroons Development Corporation Ordinance, including the responsibility to further the training of local people in management and other skills; CDC looks forward to a happy and successful partnership.

93 Coast Construction (Nigeria) Ltd
Coast Engineering Co Ltd—wholly owned subsidiary

(1) (*a*) Issued capital 60,000 £1 shares held equally by CDC and Stirling-Astaldi (Africa) Ltd;

(*b*) CDC debenture loan was £198,625 at 31.12.59 (1958 £203,625).

(2) Stirling-Astaldi (Africa) Ltd are managing agents and combine management of this company with that of Coast Construction Co Ltd (para 91) in Ghana.

(3) The subsidiary company ceased operating on 31.12.59, its assets being transferred to the parent company.

(4) The reorganisation carried out toward the end of 1958 began to show effect; road construction output improved, although there is room for still further improvement.

(5) Year's loss £30,890 (1958 £61,445). Prospects for 1960 are fair.

94 Dorman Long & Amalgamated Engineering Ltd
(formerly Amalgamated Engineering Co Ltd)

(1) Negotiations have been completed to consolidate existing loans into a single £100,000 debenture repayable 1961-70 by annual instalments.

(2) Dorman Long & Co Ltd acquired a controlling interest in the company in 1959 and its name has been changed.

(3) The company produces steel structures and tanks in Nigeria, has a subsidiary in Ghana, and is now being reorganised and expanded to meet a large part of the local demand for fabricated steel work.

95 Ikeja Industrial Estate

(1) CDC will make available up to £500,000 for loans on mortgage for new factories at the Ikeja Industrial Estate which is being opened up by the Western Region Housing Corporation on the

outskirts of Lagos, on land being made available by the Western Region Government. Development began early in 1960.

(2) Loans will be for amounts up to 66⅔% of the combined value of land and factory for periods of up to ten years.

96 Ilushin Estates Ltd

(1) Issued capital of 795,000 £1 shares, 7/6 paid, held equally by CDC, West African Joint Agency Ltd and the Western Nigeria Development Corporation (formerly called the Western Region Production Development Board).

(2) Manager D. E. Forbes; managing agents, Nigerian Joint Agency Ltd.

(3) The company has leased 10,848 acres at Ilushin in Western Nigeria. It is planned to grow 5,000 acres of rubber. By 31.12.59 1,360 acres were planted and a further 1,000 acres cleared for 1960 planting.

97 Industrial and Agricultural Co Ltd *Manager:* P. G. NELSON

(1) (*a*) This company was incorporated in Nigeria on 13.10.59 with registered office at Enugu;

(*b*) at 31.12.59 issued share capital was £286,000 of which CDC holds 170,000 ordinary shares of £1 each, 3d paid, and the Eastern Region Government 80,000 ordinary shares, 3d paid, and 36,000 deferred shares of £1 each, 5/– paid;

(*c*) CDC and the Eastern Region Government have agreed to increase the share capital to £1,036,000 by a further issue to CDC and Eastern Region Government of 510,000 and 240,000 ordinary shares of £1 each respectively.

(2) CDC is glad to join with the Eastern Region Government in this company which has been formed to assist the economic development of Eastern Nigeria by investigating, initiating and supporting commercial schemes in industry and agriculture.

(3) The company has appointed CDC's West African subsidiary, Development Corporation (West Africa) Ltd, as managing agents.

(4) A number of projects are under active investigation, but no investments have yet been made.

(5) Loss for three months to 31.12.59 was £3,052.

98 Investment Company of Nigeria Ltd

(1) The company was incorporated in Nigeria on 17.10.59; CDC holds 100,000 shares of issued share capital of one million shares of £1 each, fully paid; subscribers numbered over 80.

(2) The company was sponsored by the Commonwealth Development Finance Co Ltd at the request of the Nigerian Federal Government to stimulate and assist industrial investment in Nigeria.

99 Kaduna Hotel

(1) A company is to be formed in which CDC will participate with the Northern Region Development Corporation to finance the construction and equipping of a modern hotel in Kaduna, capital of Northern Nigeria, where high-class hotel facilities are needed. The total estimated cost is £480,000.

(2) Management will be in the hands of Nigeria Hotels Ltd (para 101).

100 Lagos Executive Development Board

(1) Loan of £1·25m in 1950, guaranteed by the Federal Government, towards the Board's £1·85m scheme for reclamation and development of 1,000 acres at Apapa.

(2) The area has been fully developed since 1958 as an industrial and residential district.

(3) Subject to exercise of options in 1970 and 1980 for earlier repayment, the loan is repayable by annuity 1961-90.

101 Nigeria Hotels Ltd

(1) (*a*) During 1959 CDC agreed to subscribe at par for 110,000 shares of £1 each in the company and to make a loan of £225,000 ranking pari passu with existing secured loans;

(*b*) the agreement became effective early in January 1960; if all the CDC money is drawn, the capital structure of the company will be as under—

	Shares (£1 each)	*Secured loans*	*Total*
	£	£	£
CDC	110,000	225,000	335,000
Nigerian Railways Corporation	44,000	—	44,000
Nigerian Federal Government	41,000	158,233	199,233
Nigerian Northern Region Government	10,000	—	10,000
	205,000	383,233	588,233

(2) The company owns and operates the Central Hotel at Kano and the Ikoyi Hotel at Lagos, leases and operates the Kano Airport Hotel and provides catering services for the Nigerian Railways and Kano Airport.

(3) CDC finance will be used to improve services and expand facilities (in particular the Central Hotel at Kano). CDC welcomes this opportunity of working in close association with the Governments concerned and with the Nigerian Railway Corporation.

102 Nigeria Housing Development Society Ltd *General Manager:* C. CAMPBELL, OBE

('Nigeria Building Society')

(1) (*a*) Share capital 1,625,000 shares of £1 each; 32,500 fully paid, 1,592,500 6/– paid; total paid up at 31.12.59 was £510,250 (CDC £306,150, Federal Government £157,000 and Government of Eastern Region £47,100);

(*b*) at 31.12.59 £120,550 had been received in advance of a call of 3/– per share due 1.1.60;

(*c*) CDC will provide £250,000 loan capital.

(2) In contrast to the first two years of the Society's life 1959 was one of rapid expansion. Mortgage asset increased by £390,000 during the year to £503,817 at 31.12.59; and outstanding commitments were £314,975 (£75,920 at 31.12.58).

(3) (*a*) Interest in the Society's operations continues to grow and operations have been extended to the Eastern Region where a branch office will be opened in 1960;

(*b*) the Society continues to exert an influence towards better building standards.

(4) Net profit in 1959 was £11,243 (1958 loss £9,061).

(5) Directors include representatives of the two participating Governments and of local commercial interests.

An example of new houses in Lagos, Nigeria, many of which are being purchased by the occupiers through Nigeria Housing Development Co Ltd (Nigeria Building Society)

Photo by Central Office of Information

103 The Nigerian Cement Co Ltd

(1) Capital is 1·75m £1 shares of which CDC has 187,500. The remainder are held by the Federal Government of Nigeria, the Eastern Region Government, the Eastern Region Development Corporation, The Tunnel Portland Cement Co Ltd, F. L. Smidth & Co Ltd and the public.

(2) In January 1959 the company made the first public offer of shares in Nigeria. Public issue of £174,898 was over subscribed.

(3) The Tunnel Portland Cement Co Ltd are managing agents.

(4) The annual consumption of cement in Nigeria is about 600,000 tons and demand is increasing. The Nigerian Cement Co Ltd is the first, and so far the only, company to manufacture cement in Nigeria from local limestone. The factory, situated at Nkalagu near Enugu in the Eastern Region, has a rated capacity of 100,000 tons. Over 120,000 tons of cement were produced in calendar year 1959 (1958 103,000) and an extension was started in August 1959 to increase rated capacity to 200,000 tons a year.

(5) The first full financial year's trading to 31.3.59 resulted in a net profit of £423,679; an interim dividend of 7½% declared in 1958 was followed by a final of 2½% in November 1959. Current year's trading is on about the same level.

104 Northern Developments (Nigeria) Ltd *Manager:* D. T. MURPHY

(1) (*a*) This company was incorporated in Nigeria on 9.9.59 with registered office at Kaduna;

(*b*) authorised share capital is £1·25 million; issued at 31.12.59 750,000 £1 shares, 1/– paid; CDC holds 450,000 shares and the Northern Region Development Corporation (NRDC) 300,000 shares;

(*c*) the Northern Region Government is making an interest free loan of £25,000 towards administration expenses.

(2) The company will provide financial and other assistance to commercial schemes in industry and agriculture and so promote the economic development of Northern Nigeria. CDC welcomes the opportunity of participating with the Northern Region Development Corporation and the Northern Region Government in this company.

(3) The company has appointed CDC's West African subsidiary, Development Corporation (West Africa) Ltd, as its managing agents.

(4) Initial investigation of a number of projects is under way; the company is not yet revenue earning.

(5) Loss for four months to 31.12.59 was £4,078.

105 Northern Housing Estates Ltd

(1) Capital at 31.12.59 was £10,000 equity and £165,000 debentures held by the Northern Region Government and £20,000 7% cumulative preference shares held equally by CDC and Costain (West Africa) Ltd.

(2) The company owns an estate of 396 houses at Kaduna for leasing. To keep rents down, the Northern Region Government provided £147,000 by grant. It is managed by Costain (West Africa) Ltd.

(3) Letting has been slow, but the number of houses occupied has continued to increase and by 31.12.59 323 houses were let (215 at 31.12.58).

(4) The company's first full year of operation to 31.3.59 resulted in a net profit of £235 (loss of £486 for the initial period of 7½ months to 31.3.58). No preference dividend has been paid.

106 Omo Sawmills of Nigeria Ltd *General Manager* (from 1.3.60): G. S. MACPHERSON

(1) (*a*) Issued capital 250,000 £1 shares of which CDC holds 186,997; other shareholders include Wm Mallinson & Sons Ltd and a group of Nigeria timber interests headed by Senator Chief T. A. Odutola OBE;

(*b*) the company has unsecured loan from CDC £35,000.

(2) On 31.12.59 R. T. Briscoe (Nigeria) Ltd relinquished the managing and selling agency; CDC purchased Briscoes' shareholding (60,997 shares).

(3) (*a*) Since 1950 the company has held a 25-year forest concession in the Omo and Oshun reserves in Western Nigeria where 1% of 429 square miles is cut annually; a sawmill was opened in 1953;

(*b*) the decision of the Ijebu Divisional Council is awaited on additional felling rights which are necessary to supplement supplies of timber available from the company's present concession;

(*c*) sawmill input was 671,472 cu ft (1958, 670,114 cu ft); conversion factor 55·1% (1958, 54·3%);

(*d*) sales—

	1959		1958	
	£	%	£	%
Export	56,624	26	82,256	39
Local—				
sleepers	82,068	37	74,119	35
other	80,073	37	55,154	26
	£218,765	100	£211,529	100

(4) A better price for railway sleepers and a reduction in operating costs enabled the company to improve its trading result from a loss of £46,561 in 1958 to a profit of £11 for 1959 after writing down stocks of spares and providing for bad debts. Cumulative loss to 31.12.59 £112,001.

(5) New working plans have been drawn up following a review of the company's problems by an expert mission towards the end of 1959; the Omo River is now being bridged and will give access to more profitable stands of timber in the second half of 1960.

107 Freetown Hotel Ltd *Manager:* G. AMES

(1) (*a*) Issued capital at 31.12.59 £102,500; CDC 50,000 £1 'A' preferred shares 1/– paid (£2,500) Sierra Leone Government 100,000 £1 'B' deferred shares, fully paid (£100,000); CDC and Government will subscribe as required additional 25,000 'A' shares and 25,000 'B' shares respectively;

(*b*) CDC has also agreed to lend £200,000 on debenture guaranteed by Government.

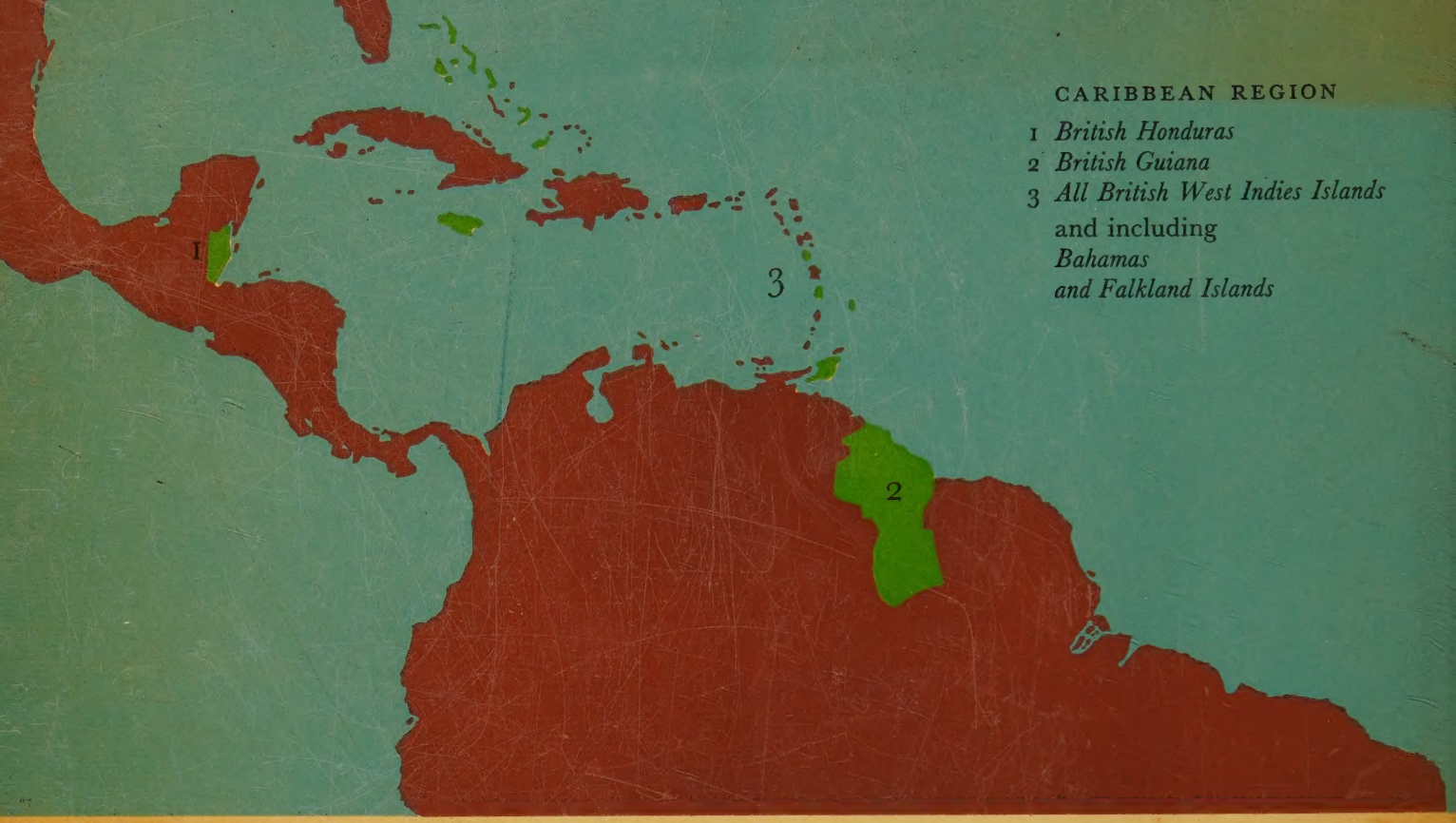
(2) The company is building a 48-bedroom hotel at Freetown to be called The Paramount Hotel. The provision of first-class hotel facilities for business men and other visitors should assist the development of Sierra Leone.

(3) The architects are James Cubitt & Partners and the building contractors are Taylor Woodrow (Sierra Leone) Ltd. Construction is on schedule and the hotel is expected to open in December 1960.

Index of Projects

	page
Barbados Light & Power Co Ltd	38
Bechuanaland Cattle Ranch	83
Bird & Co (Africa) Ltd	65
Blackbush Polder Rice Mill	38
Block Hotels Ltd	62
Borneo Abaca Ltd	49
Borneo Development Corporation Ltd	50
Borneo Housing Development Ltd	51
British Guiana Rice Development Co Ltd	38
British Guiana Timbers Ltd	39
British Honduras Fruit Co Ltd (citrus and cocoa)	39
Bushman Pits Ranch	83
Cameroons Development Corporation	94
Caribbean Housing Finance Corporation Ltd	41
Caribbean Region	35
Cayman Islands Corporation (airport)	41
Central African Airways Corporation	74
Central Electricity Board	52
Central Africa Region	71
Chilanga Cement Ltd	75
Coast Construction Co Ltd	94
Coast Construction (Nigeria) Ltd	95
Dominica Electricity Services	40
Dorman Long & Amalgamated Engineering Ltd	95
East Africa Industries Ltd	62
East Africa Region	59
Far East Region	45
Federal Land Development Authority	52
Federal Power Board (Kariba)	74
Federation Chemicals Ltd	44
Fiji Investigations	57
Fort George Hotel	40
Freetown Hotel Ltd	100
Gambia Development Co	94
Grenada Electricity Services	41
High Commission Printing & Publishing Co Ltd	82
High Commission Territories Region	79
Ikeja Industrial Development	95
Ilushin Estates Ltd	96
Industrial and Agricultural Co Ltd	96
Industrial Promotion Corporation of Rhodesia and Nyasaland Ltd	74
Investment Company of Nigeria Ltd	96
Jamaica Citrus Growers Ltd	42
Jamaica Cooling Store	42
Jamaica Housing Development Co Ltd	43
Jamaica Public Service Co Ltd	43
Johore Palm Processing Ltd	53
Kaduna Hotel	96
Kasungu Tobacco Estates	75
Kenya Housing Authority	62
Kenya Meat Commission	62
Kenya Power Co Ltd	63
Kilembe Mines Ltd	69
Kulai Oil Palm Estates	53
Lagos Executive Development Board	97
Liganga Iron Ltd	65
Lobatsi Abattoir	84
Macalder-Nyanza Mines Ltd	63
Malaya Borneo Building Society Ltd	54
Malayan Cocoa Ltd	56
Malayan Industrial Development Finance Ltd	56
Maramba Estate Ltd	66
Mbeya Exploration Co Ltd	66
Melville Hall Estate	40
Mhlume (Swaziland) Sugar Co Ltd	86
Molopo Ranch	85
Molopo Settlement Scheme	85
Mostyn Estates Ltd	51
Nigeria Hotels Ltd	97
Nigeria Housing Development Society Ltd	97
Nigerian Cement Co Ltd	98
Northern Developments (Nigeria) Ltd	98
Northern Housing Estates Ltd	99
Nyambeni Tea Co Ltd	64
Nyasaland African Housing	76
Oceanic Hotel Ltd	64
Omo Sawmills of Nigeria Ltd	99
Ox Bow Lake Power and Water Investigation	83
Rungwe Coal Co Ltd	66
St Vincent Electricity Services	43
Singapore Factory Development Ltd	57
Southern Rhodesia African Housing	77
Swaziland Canners (Pty) Ltd	86
Swaziland Irrigation Scheme	87
Tanganyika Coalfields Ltd	67
Tanganyika Wattle Co Ltd	67
Tangold Mining Co Ltd	69
Trinidad Cement Ltd	44
Tristan da Cunha Development Co Ltd	89
Unga Ltd	64
United Cocoa Development Co Ltd	56
Usutu Pulp Co Ltd	87
Vipya Tung Estates	77
West Africa Region	91

Cover design by Kenneth Farnhill, M.S.I.A.
The report designed and printed in England by
Brown Knight & Truscott Ltd.,
London and Tonbridge
1960



CARIBBEAN REGION

1 *British Honduras*
2 *British Guiana*
3 *All British West Indies Islands*
and including
Bahamas
and Falkland Islands

CDC

COLONIAL DEVELOPMENT CORPORATION

FAR EAST REGION

1 *Federation of Malaya*
2 *State of Singapore*
3 *Sarawak*
4 *Brunei*
5 *North Borneo*
and including
Hong Kong
Fiji, and the
Western Pacific Islands